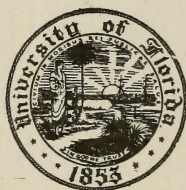
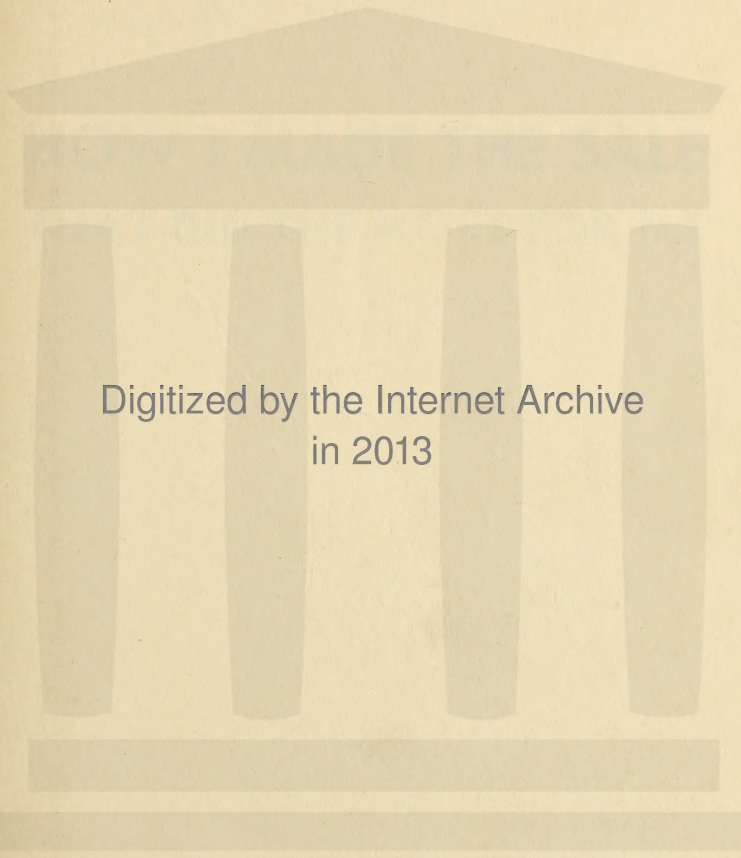
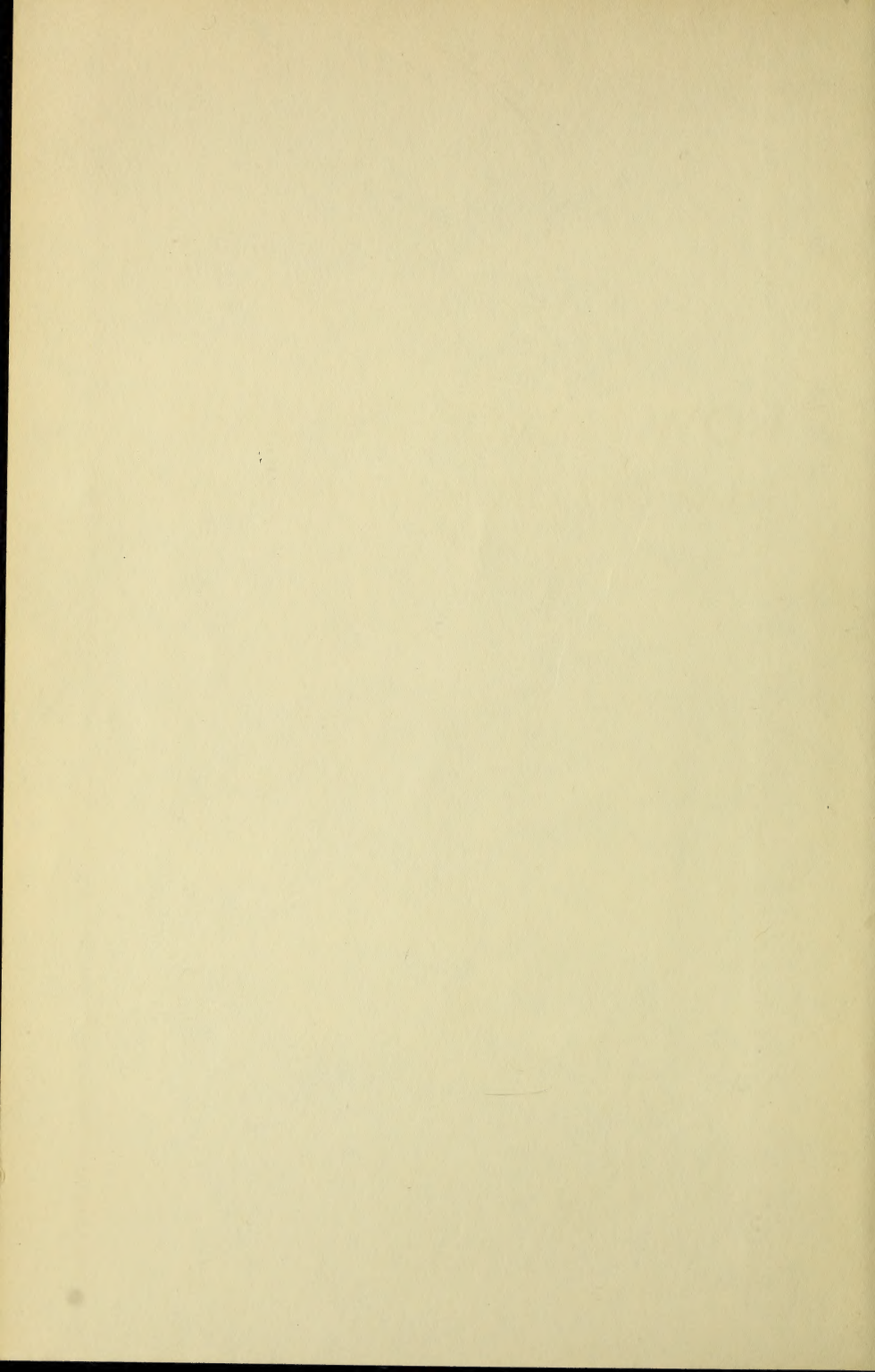


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HOW I MADE THE SALE THAT DID THE MOST FOR ME

HOW I MADE THE SALE
THAT DID THE MOST FOR ME

HOW I MADE THE SALE THAT DID THE MOST FOR ME

*Sixty Great Sales Stories Told by
Sixty Great Salesmen*

COMPILED AND EDITED BY

J. M. HICKERSON

FOREWORD BY ROBERT A. WHITNEY

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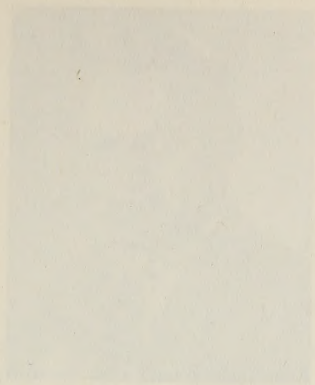
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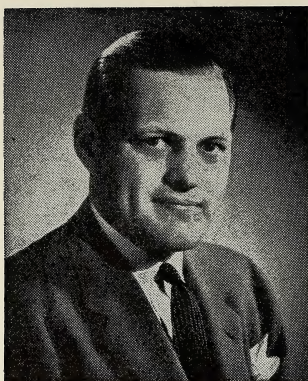
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TO ALL SALESMEN—YOUNG AND OLD

7-23-51 Pub. Bus. ad.



ROBERT A. WHITNEY

President of National Sales Executives, New York City, was born 37 years ago in Buffalo, New York. He attended the University of Berlin while his family lived in Russia, where his father had contracted to build chemical plants. Later he was graduated from Hobart College.

He became a salesman for Wilson & Co., meat packers, and was a statistician with Francis I. DuPont in Wall Street. In 1937 he became Eastern Sales Manager of Simplicity's "Prevue" magazine, which led to the position of Sales Promotion and Advertising Manager of Corning Glass Works in 1939.

In 1942 he applied to the War Production Board and was put in charge of selling the Controlled Materials Plan to the manufacturing executives of the nation. In 1943 he became Promotion Director of the McGraw-Hill Publishing Company where he developed a simplified method of presenting the market possibilities of their 25 business publications. He started "The Pulse Beat of Industry" and wrote three widely used books on media selection, market planning, and community development.

At the same time he acted as adviser to Jesse Jones in setting up the disposal system for war surplus property.

In 1946 he organized the Encyclopedia Britannica Press in Chicago and New York, which developed a new type of children's book using motion picture films as a basis for the stories. Over 600,000 books were sold the first year.

When the National Federation of Sales Executives established its headquarters in New York in 1947, Bob assumed the job of Executive Director. In June 1948 he was elected as president of the organization, now known as National Sales Executives, Inc.

Bob is a trustee of Hobart College and serves on the National Distribution Council of the U.S. Department of Commerce, the Industry Advisory Committee of the Treasury Department, and the Advertising and Public Relations Council of the U.S. Army and Air Forces.

Foreword

WHEN THE IDEA for this book was first suggested, it was assumed that the book would be of interest primarily to salesmen, for it was designed as a means of helping the salesman do a more effective job. But a review of the stories, each entirely different in its approach to a puzzling sales problem, convinces me that not only salesmen but sales managers, top executives, and businessmen will find the book highly beneficial and stimulating.

These stories are authentic accounts by 60 outstanding sales and administrative leaders of their most significant sales experience. Some are humorous; some exciting, but the purpose underlying all of them is to take creative selling out of the realm of theory.

Salesmanship is a fascinating career because it presents a never-ending series of challenges to the resourceful individual. Today's successful salesman needs more than knowledge of his product and an order book. He must be ambitious, imaginative, and thorough. He must be willing to work hard and to accept disappointments. He should not become discouraged easily. He must possess the ability to create and hold good will, which implies a basic understanding of his fellow man. He must be alert and quick to work out practical solutions to any problem that may suddenly confront him.

Colleges and universities in ever greater numbers are recognizing salesmanship as a profession and are including courses in their curricula especially designed to instruct salesmen and sales managers in their calling. However, salesmanship cannot be taught through lectures and textbooks alone. Full knowledge and understanding of the subject can be gained only through practice and experience. This book by incorporating experience demonstrates how and why people succeed in business.

Salesmanship is an American specialty. It typifies the competitive spirit of our economy. Nowhere else in the world have so many executives come up through the selling ranks. It is not surprising that the salesman has been the first business casualty in every country the communists have conquered. Freedom of choice and competition, which he symbolizes, are directly contrary to all that communism stands for.

Salesmanship—freedom of choice—is really the one great difference between socialism, communism, and American capitalism. By the very number of salesmen a country has you can tell how far down the road that country has traveled toward totalitarianism.

Alert salesmen, in their daily contacts with dozens of people, constantly help to raise our standard of living by constructive selling, creating wants and demand for better products, rather than simply catering to customers' needs. It is the salesman who so frequently tells production management what it is their customers want.

Salesmen constitute a tremendous force for molding public opinion. They are in touch with a greater number of people and have more opportunity for influence than any other single group in the country. This is one reason why sales executives are growing increasingly selective in demanding men with greater ability for their sales forces.

Indeed, it must be recognized that the modern salesman is the spark plug of our economy. Not only does he sell the products of our factories; he even helps to determine the production of tomorrow. It is he who is the strongest supporter of our way of life, for his interests are so closely allied to survival of our freedom and the dignity of the individual.

ROBERT A. WHITNEY

Preface

BETWEEN THESE COVERS are 60 chapters of encouragement and help for everyone who *sells*. And *everyone* sells! Directly and indirectly several million of us sell products or services, and all of us sell ourselves, to ourselves and to our associates.

Our "Great Sales Story" specifications were quite simple. One story would be asked from each of 60 industries. (This arrangement accounts for the chapters in the book appearing alphabetically according to industries.) The tale had to be true and told in a "How I Did It" manner in the belief that sales successes presented in a factual and specific way would be most helpful to the reader. Now that we have read and reread the 60 stories, we believe that this book will be invaluable to the groups that contribute most to the art of selling: sales managers, general managers, and salesmen themselves.

In studying these 60 Great Sales Stories, I can perceive the makings of a "pattern of greatness." It includes these common denominators: the value of little things, the role played by fate or circumstance, the fact that people are not "sold" but that they "buy" (when the salesman makes an effective presentation), the importance of quiet perseverance, the value of creative imagination, and the priceless value of actual selling experience.

Before concluding this preface, I want to thank formally a number of people who encouraged and helped me compile this book of Great Sales Stories.

I wish to thank all my fellow members of the New York Sales Executives Club for every co-operation requested. Their moral support sustained me from the inception of the book to the formal announcement of publication.

Above all, I wish to thank my co-authors—busy and patient men, stubborn and persistent individuals, sturdy and co-operative souls.

It is they who have made this book possible. With their contributions and the contributions of other great salesmen throughout the land, one need not fear for the safety of our American system of mass sales to promote mass welfare.

J. M. HICKERSON

NEW YORK, N.Y.
January 1951

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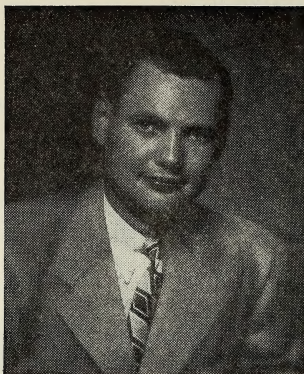
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HOW I MADE THE SALE THAT DID THE MOST FOR ME



RAY HICKOK

became President of the Hickok Manufacturing Company, Inc., Rochester, New York, upon the death of his father, S. Rae Hickok, on December 17, 1945. In November 1948, he was also designated Chairman of the Board of Directors.

Ray Hickok is unusual in being, at the age of 32, president of what is probably the best-known company in the men's wear field. He is also remarkable in the strikingly similar business approach he shares with his late father, an inspired and inspiring individualist who began business in 1909 with a \$300 loan and who left, on his death, a firm with an annual volume of approximately 17 million dollars.

Ray Hickok, like his father, believes that business must be an expanding one in order to give its maximum service to the community. Expansion requires initiative, foresightedness, and the compelling belief that better things lie ahead. He is putting this belief into practice every day, as is his younger brother Alan, 29, the firm's executive Vice-President and General Manager.

Ray Hickok was born in Rochester, N. Y., on March 13, 1918. He was educated at the Allendale Country Day School in that city and the Choate School, Wallingford, Conn. He graduated from Rollins College, Winter Park, Florida, in 1940, with a degree in business administration.

In 1934, he began working at Hickok's during summer vacations. He was elected Vice-President in 1941. A few months later he joined the Air Corps and served with the Eighth Air Force in England, from May 1941 to September 1945.

As President of the Hickok Manufacturing Co., young Hickok has been responsible for many interesting innovations. In one of them, the Junior Board of Directors, young executives of the company are given an opportunity to increase their share in the management of the concern and to obtain individual training in leadership for themselves. But trained by his father to be a salesman, he still makes salesmanship his chief interest.

I. "Big Game" Selling

BIG GAME HUNTING is a hobby of mine.

It is secondary, however, to what might be called "big game selling." That's my business. Big game selling is quite as thrilling as hunting. The analogy between the two, in fact, is apt. Let's recall a specific hunt and then compare the sport from beginning to end with the business of selling. It should help us collect our thoughts on the subject.

I remember that one of my most exciting bear hunts ended near the peak of one of the San Juan mountains in the Culebra range near Chama, New Mexico. It was dusk at the end of a long hard day that the kill was made. The plans, so important to that gripping climax, however, had been made a long time before.

When we arrived by airplane at Albuquerque, New Mexico, our own personal kits were all in order. We had our Savage 30.06's and the kind of soft-nosed bullets the law requires. We had the right boots and the right clothes, and the hunting permits were in our pockets. We also knew that at the end of the 100-mile automobile drive we were starting the next morning we would find expert guides. They were old-timers, men who knew the hunting country thoroughly. They had assembled mounts for us, as well as hounds and fighters, and all the camping equipment we would need.

We met our guides as planned. We had time to test our mounts, to become acquainted with the hounds and the fighting dogs, to inspect the tents, and make our final purchases at Chama.

Being eastern dudes, after all, we took some time to toughen up a little. One day we rode our horses about halfway up the nearby mountain range. Our guides told us we were on the edge of one of the best bear hunting areas in the country. The actual hunting would begin next morning.

By 4:30 A.M. that day we were on our horses, moving up the rocky trail. It was a tough grind right from the start. Five hours later, the baying of the hounds told us they had scented bear. Then the real fun began.

If you think your customers sometimes offer sales resistance, you should try tracking bears on horseback. Naturally, they don't follow the well-worn trails. Veteran hunters tell you that a bear seldom goes over the top of a mountain and down the other side. He is more likely to turn near the peak and charge back towards you. That has happened to me more than once. Perhaps, in that case, you get a final lucky close-up shot. More than likely, however, you just try to take a hasty shot from the side as the bear goes galloping through the brush far to the right or left of you. And you miss.

This day the bear our hounds were following crisscrossed all over the mountain. We were left quite far behind, charging through the brush, which scratched and tore at our faces and clothes.

It was about 10,000 feet up, close to the peak, when I finally got my first good look at that bear. What a sight he was! He was backed up against a double-trunked tree and a rocky cliff.

Usually one fighting dog will charge in front, snapping at the bear's throat, while a second will leap at him from the rear. This bear had his back protected, and what he was doing to those dogs shouldn't happen to any animal, least of all a canine. Just as I rode up and dismounted, that big grizzly reared up on his hind legs, clawed one of our fighting dogs, and flung him yelping 20 feet away.

The hunt was over, however. With my first shot, I was lucky. The sale was made. The order was clinched. And I have a fine bearskin rug in front of the fireplace in the family hunting lodge in the Lake of Bays region in Ontario, where I spend less arduous days sailing, fishing, and hunting deer.

The point of this story, as far as it concerns the business of big game selling, is that I would never have had that final shot at old Mr. Bear, nor the satisfaction of that bearskin rug, without the advance planning, the guides, the good equipment, the horse, and those hounds and fighting dogs.

In the same way, it is planning—long, careful planning—that makes big game selling the good business it is to be in. You must have the best possible guides, which means a thorough knowledge

of what you are selling, where you are selling, and whom you are selling. Your equipment must be top-notch. And the hounds and fighters are the baying and snapping arguments and points that lead you on and close in ahead of you for the final kill.

And then, as in hunting, the big ones, after the best of preparation, do sometimes get away. There is one laugh on me, which, at the risk of anticlimax, I suggest you indulge in, as I continue this analogy between big game hunting and big game selling.

As president of our firm, and a salesman at heart, I enjoy tackling the big ones as often as I can. I like to pull the trigger as well as plan the hunt, as I did one time when I spotted the president of a chain of men's retail stores I thought I'd like to bag.

Just as one spends months and sometimes even a year in advance planning for a bear hunt, so business planning gives the hunter the confidence he needs when he starts out to track down the big sale.

I'm in the business of selling belts, buckles, suspenders, garters, wallets, and men's jewelry. Once a belt was just a strap. People bought belts because they needed them to hold up their pants. They wore the strap until it wore out. Because leather is tough, there is not much profit in this situation for us or our customers, the retailers in the men's wear stores and the men's departments of department stores.

By advance planning and research, our firm has had a great deal to do with changing this picture. Today belts and buckles are fashion accessories. Even unseen suspenders and garters have style. We have to keep on our toes all the time to keep the men's jewelry that we make a complementing high-style number that men and their wives will change over and over again.

Because at the home office in Rochester, with the excellent assistance of experts, I personally supervise this kind of planning, I had a carload of confidence under my belt the day I started out to bag the chain store president. But there is another form of planning that is more important. We must know the habits, the wiles, the characteristics of the game we are going after.

Some stores make sales volume their chief interest. Others consider the lowering of inventories their deepest concern. Then, the margin of profit may happen to be the one thing the store owner puts above all others. In the case of this particular chain store president, I had arrived at the conclusion that his big interest was

inventory, and, secondly, sales volume. I got all this information from my guides, the veteran salesmen in the field.

Now it happened that the president was already stocking our merchandise. But it wasn't an exclusive account. His chain carried the goods of our competitors, too. The objective was to get him on the line as a Hickok exclusive, instead of dividing his business among three concerns.

I wasn't content with just listening to what my guides told me. The first step I took when I reached the headquarters city of Mr. Jones, as we shall call him, was to take a trip through his stores. I wanted to study his method of display, the amount of space allotted, the method of presentation, what he was doing about training his clerks, and last, but most important, the inventory. In other words, because I knew his chief concern was inventory, I wanted to see with my own eyes just how much duplication there was; how many styles he was carrying that were unnecessary. Then I wanted to check up to see if he had all our best selling numbers in stock.

This on-the-ground survey was like trying our mounts and becoming acquainted with our dogs. In my survey everything showed up pretty well except the inventory. That result was exactly what I wanted and it whetted my appetite no end for the actual sale.

So next day I kept the appointment I had made in advance with Mr. Jones. First of all came the traditional warm up. We talked about business in general. Each of us told a couple of the latest stories we had heard and enjoyed a good laugh. Then came the real business. The hounds were baying. I was riding crisscross through the brush after the bear. The following conversation is not word for word as it happened, but it is pretty close to fact and as near as I can remember it.

"Mr. Jones," I began, "I had a most interesting day yesterday. I spent about ten hours visiting some of your stores here. Looks like you have a lot of money tied up in inventory."

That remark hit home, I could see. My advance conclusion was right. Mr. Jones was the inventory type. But he was a good merchant, too, or he wouldn't be occupying that office marked "President." He wanted to increase sales. He was concerned with profit margins. Although he delegated authority, he had a keen personal interest in merchandising displays. He was acutely

conscious of the value of selling-space and how this space should be used to the best advantage. Then, since he advertised extensively himself, he was vitally interested in how much consumer franchise the different goods he sold had acquired through national advertising by the producers. I knew I would have to play on all these chords as well as banging down on that one note of inventory.

"Well, you know," he said, "it does sometimes cost a lot to give your customers what they want, a wide variety from which to choose. But, of course, it must be kept within reason."

"You're absolutely right," I nodded. "That's what we've found at Hickok. We've a really comprehensive selection of style numbers, but we've learned the hard way to keep our inventory within reason. You can do a lot by concentrating on the tested best sellers.

"Bill Smith," I added, naming the manager of one of his stores, "confirmed a survey our advertising agency just completed. He's getting the demand for a selected group of style numbers, which we found by test were the hottest."

I showed Mr. Jones the survey. It was really an interesting collection of facts. Among the numbers surveyed were several I had noted were not in the chain's stock. I could see that Mr. Jones was making mental notes, so I offered to give him a copy. But first I pointed out carefully the numbers surveyed that were similar to those offered by our competitors. Like every salesman, I was careful not to insinuate that he and his executives were not doing a good job. I did let him see for himself, however, that there was an unnecessary duplication of inventory. After all, in his stores there were three lines and many sizes in many price brackets and it was costing him money.

Where only one brown belt was needed at \$2.50, why have two, or why have three? Why not have one good brown belt he could be sure of having in stock at all times? From the visits to his stores I had made the day before, I could be specific on a number of styles he was carrying that were unnecessary. He began to comment himself, as I wanted him to, that it was all adding up to excess inventory. I could almost see him multiplying in his head the specific instances I mentioned by the number of stores in his chain.

Naturally, this was real life, not fiction, and Mr. Jones didn't fall into line with my train of thought as easily as it may seem by reading this recollection of that sales call. Fortunately for me, I thought,

we did get to talk about styling, packaging and displaying merchandise. These are extremely personal concerns of mine, and I could be at least enthusiastic and, I hope, convincing.

I told the story behind several new style numbers. I pointed out the new modernized packages, that displayed the belts exactly as they looked when worn. I emphasized the qualities of our selling display case that we call "The Profit Maker."

"You can get a variety of belt styles in the narrow shelves of this display cabinet," I pointed out, "but not too many to be confusing. In addition, have you noticed how the curvature of the cabinet gives the illusion that all the belts are on eye level? Bill Smith told me yesterday that he likes this job because it takes up so little room and really steps up impulse sales."

During all this winding through the brush, all important to tracking down that final sale, I kept the bobbing black head of the bear in sight. I kept bringing up that point about heavy inventory. I had some examples of other chains. How their inventories decreased, yet sales increased. Finally, I pulled out a plan I had carefully worked out in advance and in detail. I had the bear in my gun sights now.

"This plan, Mr. Jones," I concluded, "will help you keep your inventory at that desired level. You can set that level yourself. We are equipped with our new order center, order comptroller, and divisional warehouses to fill in as need be and just as rapidly as you want in order to keep right to your plan."

Tactfully, I thought, I had at last convinced him it was to his advantage to concentrate on one hot group, rather than spreading efforts over different lines. Finally, I had made him believe it was his plan, his idea, not mine, which by the way is marvelous psychology in selling.

Before I left, Mr. Jones agreed to call his buyers together and announce the new policy.

I had pulled the trigger, I thought. What a fine new bear rug!

But this one, my friends, got away. President Jones, as promised, called his buyers together and sold them on his new policy. But then, carrying out personal plans I knew nothing about, he resigned to take a job with another and bigger chain. The new management came to us shortly afterwards. Citing all the inventory arguments I had given on my call, the new man announced our line was being

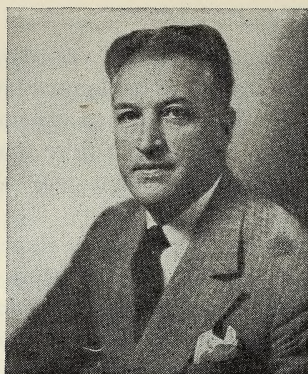
discontinued so that the chain could concentrate on one of our competitors and hold inventory to a planned level.

Now, what about Mr. Jones who had resigned and whom I had sold on concentrating on Hickok? You're guessed it. That new chain of which he became president was already an exclusive Hickok account!

When such things happen, I remember those black bobbing bear heads I have seen weaving through the brush with the hounds in full cry. Sometimes the bear is too far away for a good clean shot. Sometimes you take your shot, but miss. Sometimes, fate seems to step in, and, when you think you have the bear almost skinned, he somehow gets away. He goes galloping by to the right or left of you. You fire, but you miss.

You must keep everlastingly going to be a successful big game salesman. You ride the hunting grounds from early morning to dusk, getting your saddle sores, and at times tearing your hands and face.

But, if you are well prepared in advance, with good equipment, the right guides, hounds, and fighters ahead, you will get your share of kills at last.



Fabian Bachrach

ROBERT W. SPARKS

First Vice-President of the Bowery Savings Bank of New York, is a graduate of Columbia University, the Harvard School of Business Administration, and the graduate School of Banking at Rutgers University.

After two years of active service as a lieutenant in the U.S. Army during World War I, Mr. Sparks worked briefly as a newspaper reporter before becoming account executive and later a partner of an advertising agency. In 1923 he assumed an executive position in the Metropolitan Life Insurance company, and in 1928 he joined the Bowery Savings Bank as Director of Business Extension. In 1931 Mr. Sparks became Assistant Treasurer of the Bowery Savings Bank and has advanced through various executive positions to his present status as First Vice-President and Treasurer.

In addition to his position with the Bowery Savings Bank, Mr. Sparks serves as consultant for the U.S. Treasury. He is also a director of the Financial Public Relations Association and of the National Service Fund of the Disabled American Veterans. He is a trustee of the Brooklyn Masonic Guild, an instructor in the American Institute of Banking, and a chairman of the board of managers of the Financial Public Relations School at Northwestern University.

From 1926 to 1927 Mr. Sparks was a member of the National Management Commission under Secretary of Commerce, Herbert Hoover. From 1941 to 1943 he served as National Field Director of the War Finance Division of the U. S. Treasury. Mr. Sparks is a member of the Harvard Club, the Military and Naval Club, the American Institute of Graphic Arts, the American Arbitration Association, the American Legion, and the Officers' Club of New York.

2. Climbing Over Sales Stumbling Blocks

THIS PROBLEM deals with selling a product where selling through paid salesmen is outlawed. The New York State law prohibits savings-bank life insurance from being sold by paid salesmen. Yet the product must be sold and it is being sold.

In August 1945 the Bowery Savings Bank launched "packaged savings." Our customers were going to three different departments to make deposits, to buy savings bonds, and to pay life insurance premiums. A careful study of our sales problem, which was to get more savings depositors, more savings bond buyers, and more purchasers of savings-bank life insurance, developed the following facts:

1. Many savings depositors bought neither savings bonds nor savings-bank life insurance.

2. Many savings bond buyers had no savings accounts nor had they purchased life insurance.

3. Many life insurance purchasers had no savings account nor had they purchased savings bonds from us.

4. Some of our customers were participating in all three phases of our business and were going to three different departments of the bank to make deposits, to buy savings bonds, and to pay life insurance premiums.

These facts posed the question: How could we promote these sales opportunities to spread our sales more widely, to induce as many of our customers to buy all three products, and to sell more people on coming to us to buy not one but three products?

The answer was found by utilizing all of the facets of modern salesmanship. The legal restriction on outside solicitation placed on us the need to utilize to the utmost all the other forms of salesmanship.

Proper Packaging Sells

Our study of modern merchandising convinced us that proper packaging is not only an integral part of selling but also a procedure that would help us over our sales obstacles. As a result we decided to bundle savings accounts, savings bonds, and savings-bank life insurance into a package and sell it.

In spite of the stumbling block caused by the banking law's requirement that we bring our prospects in to us in order to sell them this package, our hopes were high although we had no assurance that the plan would be successful. The idea sounded good, but all of us have seen good ideas go flat. We had to discover whether the idea was sound, whether it would have public acceptance, and how to sell it.

There was no pattern to guide us. Could we take three different intangibles, weld them into one package, and sell them without salesmen? Not only would we be selling future promises, but also promises with complex rules and regulations.

Our first decision was that packaged savings must be made foolproof. In order to insure this result we did the following:

(a) Six months before launching the sales campaign, daily tests were conducted. Customers coming into the bank were asked for their opinion of the idea. Clear questionnaires were mailed to depositors, bond buyers, and policyholders. From these tests we learned the following:

(b) That the legal restrictions made the plan confusing.

(c) That cleverness in advertising copy for this plan did not help us sell it but that utmost simplicity did. Advertisements, booklets, and letter follow-ups of the utmost simplicity succeeded in anticipating practically all questions. The result of this research developed a primer type of copy.

(d) That our sales approach was not a one-shot or even a one-two-three shot program but that it would sort prospects into different classes, some requiring two followups and others as many as five.

The second fact discovered was that we could not expect the public to pick those employees in the bank who were trained to answer their questions and that it would be necessary for us to educate our entire force. For this purpose a promotional sales

manual was developed and the members of the Promotion Department and the officers of the bank went over the plan with all employees so that all of them had at least a speaking knowledge of the plan before it was launched to the public.

This educational sales manual was prepared in three sections. The first dealt with the product, packaged savings. It explained what packaged savings is and how it works. It told the employees about the tests that were made and the results these tests showed. It went on to explain that the success of the plan depended to a great extent on their knowledge of its fundamentals and the way that they handled inquiries.

The second division of the manual showed a complete advertising sales campaign—the announcement advertisement and succeeding advertisements, booklets, and sales letters. This division enabled the personnel to see all advertising before it was published and also gave them further appreciation of their part in the sales program.

The third part of the manual was devoted to special forms that had been worked out for the convenience of the customers as well as the employees.

The Missionaries Buy It

This preliminary internal selling convinced the personnel that the whole scheme was not planned by top brass with no recognition of the part the working force was expected to take. The careful explanation made many of them feel that the plan was something carefully worked out in the interest of the public and that they could also benefit by it. Many of our first customers of packaged savings were our own employees.

Our third decision was that the plan must stand on its own feet or fall under its own weight. We were willing to invest a modest amount to test the public acceptance of the plan, but an early knowledge of whether or not we had a salable package was required. We were prepared for a quick scrapping of the entire plan if we felt that the package could not be sold without salesmen. We demanded early results and we got them.

Our first advertisement was in the nature of an announcement and appeared in the morning papers on August 2, 1945. Before 11:00 A.M. of that morning we had evidence that our preliminary investigation and conclusions were sound.

(a) Even though the advertisement was merely an announcement with no strong sales urge and no caption, men and women walked into the bank that morning with money in hand to sign up immediately.

One of the first prospects was a 40-year-old father who wanted to accumulate about \$2,000 for his son's college education. The son was seven years old. The father knew that it would cost more than \$2,000 to finance the college fund but wanted the son to be in a position to earn at least a part of the cost himself. He took a packaged savings plan requiring deposits of \$20 a month for ten years. At the end of this period there will be over \$1,000 cash in the bank. He will have U.S. Savings Bonds with a face value of an additional \$1,000. He will also have a life insurance policy of \$2,000, which will have a cash value plus accumulated dividends of approximately \$500. If the father should not live throughout the ten-year period, there would be paid \$2,000 on the life insurance plus the accumulation of cash in the bank and savings bonds obtained up to the time of death.

Another early inquirer was a secretary, 37 years old, who lives with her parents who are self-supporting. This woman told us that she could afford to save but didn't. She took a plan requiring \$5 a week, which included savings and savings bonds without the life insurance.

A 30-year-old salesman for a perfume company, who is married and has three small children, arranged for a plan requiring \$10 a week for ten years. At the end of the ten-year period he will have a minimum of \$2,950 cash in the bank, savings bonds with a face value of \$1,500 and a life insurance policy of \$5,000, which will have been in force during the entire period. In addition, there will be cash dividends on the savings account and on the life insurance.

(b) The announcement prompted other persons to telephone to learn when they could make an appointment for a medical examination.

(c) One man came in with a large deposit and a prepared statement from his doctor, stating that he was in excellent physical condition and could pass any insurance medical examination.

Having tested the general application of the plan we quickly resorted to selling advertisements with keyed coupons. The first coupon advertisement offered a \$3 a week savings plan starting at

age 25. At the bottom we said: "You now can get \$1,000 in U.S. Savings Bonds, \$620 in cash, and a \$1,000 life insurance policy for only \$3 a week for ten years starting at age 25."

This sales offer deliberately made its appeal on the basis of small cost at young age. Recognizing our unavoidable sales obstructions, we felt that we would have a larger market with the low cost, 25-year-old group than with older groups, which required higher costs. Insurance costs less when it is taken out at an early age. The plan emphasized benefits in cash and savings bonds which would come to young savers. At that time we thought that our market was a youthful one and a low-income market.

Raising the Sales Sights

The first coupon from this advertisement gave us a jolt. It was sent in by an author of national renown, a woman of mature years. It was accompanied by a letter asking if she could deposit \$100 a month under the packaged savings plan.

Other prospects have caused us to raise our sales sights. Subsequent advertisements have stressed older ages and deposits of bigger amounts.

Our sales research has discovered that the same copy suggesting that persons of 45 save \$10 a week for ten years sells as well as copy suggesting that persons of 25 save \$3 a week for ten years.

We directed our sales research even to determine the type of illustrations the advertisements should carry. This investigation told us that simplicity in illustration was just as effective as simplicity in copy. Plain drawings of each of the three products in the package, a picture of a war bond, a savings bankbook, and a life insurance policy pulled more coupons than more elaborate illustrations.

Strangely enough, an advertisement that illustrated a large package tied with fancy bows with many people reaching for it was one of our least effective producers.

Our sales planning also showed us the fallacy of changing our sales messages just for the sake of change. We have discovered that if an advertisement sells on its first run, it will continue to sell on its second, its third, and even on its fourth run. The figures illustrating this conclusion have been picked from among our studies.

The first insertion in eight New York City newspapers of an advertisement headed "At the Bowery You Now Can Get Packaged Saving" produced 1,900 coupons. A second insertion of the same advertisement in five papers produced an additional 1,317. Additional insertions of the same advertisement produced 9,430 returned coupons.

Six Million Dollars in Sales and Still Growing

Now, what about the results of this sales campaign, which had to overcome more hindrances than any sales campaign that I know of? In five years it has sold life insurance totaling \$8,773,500. It has opened 7,135 savings accounts, and 6,347 men and women are purchasing savings bonds on a regular program. These are the results that are traceable to the plan.

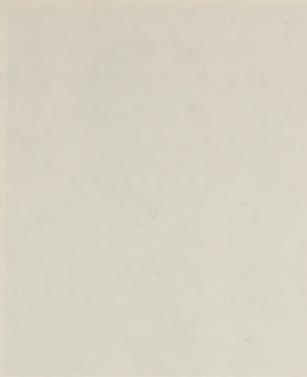
There is no way, of course, in which walk-in business produced by packaged savings promotion can be measured but I know that several million dollars of walk-in business has been influenced by it.

In considering these principles please bear in mind that not one of the three items of this package can be bought in unlimited quantities. At the time the plan was launched there was a \$3,000 limitation on the amount of savings-bank life insurance that could be issued to any one person. And the purchaser must live or work in New York State. This amount has since been increased to \$5,000.

Another sales obstacle, which must be overcome in selling this package, is that it takes at least six weeks to process the average packaged savings inquiry into a sale. All possible sales are not made in six weeks; six weeks is the minimum.

The following is the challenge that was met: Your product, Mr. Salesman, is not a five-and-ten-cent article; it calls for a long-term commitment of constant payments of sizable amounts. There is no immediate benefit you can offer the buyer. You can't sell it to anyone, but only to those who can qualify by age and health. You can't sell it to persons outside of your state and you may not go out and sell it. You must make the purchasers come in to buy it.

The figures already quoted, running into the millions of dollars, indicate how well this challenge was met. The fact that each month has shown increasing sales proves that sales obstacles exist to be overcome rather than to be accepted as stoppers.





WALTER S. MACK, JR.

was chairman of the Pepsi-Cola Company of New York City until his recent resignation, and he is still connected with the company in an advisory capacity.

Returning from the first World War Mr. Mack went into the textile business. He started as a salesman in 1919, became sales manager and finally, in 1926, the President of Bedford Mills, Inc. He later retired from that company and became interested in financial affairs and investment management companies, which specialized in reorganizing various companies in difficulties. Among these companies were the following, which he helped to reorganize, and in which he served as a director: Celotex Corporation; South Coast Corporation; Allied Stores Corporation; Autocar Company; United Cigar-Whelan Stores Corporation, of which he was also chairman of the board. He was also Vice-President of William B. Nichols Company and of Equity Corporation; President of Phoenix Securities Corporation; a director of the National Brass & Copper Company and of the South Shore Oil & Development Company.

Mr. Mack was President and a director of Pepsi-Cola Company from 1939 to 1950.

3. One Sale That Affected the Lives of Millions

I DON'T THINK there is any greater thrill in life than having a product, a problem, or a proposition to put over and laying down a campaign to sell it successfully. The more difficulty and the more trial and tribulation encountered in bringing the campaign to a successful conclusion, the greater the thrill.

I have sold many products in my work of helping to increase the sale of merchandise for many companies. This work has included: planning sales and merchandising campaigns as Chairman of the Board of United Cigar-Whelan Stores Corporation, sales promotion of heavy trucks and fire engines for Autocar Company and building and roofing materials for both Celotex Corporation and Certainteed Products, and finally the management of Pepsi-Cola. However, the most exciting and difficult sale I think I ever made was a sale that affected many lives in the great city of New York and which probably had most far-reaching effects. Let me outline the problem briefly so you can get the high spots of the picture.

In 1932 I ran for the State Senate in New York City on the Republican ticket in a senate district that extended from Washington Square on the East Side of the city to around 116th Street. If you know the city as I do, you know that that section comprises many small cities. There are the Italian and Jewish areas on the lower East Side. Around 26th Street there is what is practically a Greek colony. Midtown there is a mixture of all sorts of citizens. Because rents are higher, they are people of more wealth and means who have had greater opportunities. On the upper East Side there is a city of mixed foreign population. Due to the force of circumstances, the people in this section have not had the education nor the opportunities that those in the Midtown section have had, and are, therefore, more easily influenced and intimidated.

As is well known, the year 1932 was a time when prohibition was in effect and when bootlegging was rife. The city, through underground law, had been divided into bootlegging areas in which various top gangsters had an understanding as to their sections of operation. The local politics and the police department were pretty well dominated by these liquor lords.

In the summer of that year and during the middle of my campaign, two rough-looking characters came to my headquarters and asked me if I would come up to see Dutch Schultz who was the liquor baron and boss of the upper East Side of my senate district. I agreed, and the following morning I was picked up in an armored car by a little fellow who told me his name was "Tom Brown" and who had the great distinction of lacking the third finger of his right hand. He drove me up to a billiard hall at 116th Street and Seventh Avenue in the Negro section where, after going through several doors, I found myself in a back barroom.

Seven or eight men came in, all of whom I shook hands with, and as we took off our coats to sit down at the table, I noticed I was the only one who didn't have a leather shoulder holster and revolver. A flabby fellow, who was the boss, Dutch Schultz, joined us. After drinking several beers and talking in general about the affairs of the city, Dutch Schultz asked me if I wanted to be elected as senator. If I did, he would see that the upper East Side of my district gave me all the votes that I needed to insure my election. He went on to explain that it would cost me exactly \$5,000. I told him I was not interested in buying my election and if the people of the district didn't want me as their state senator when they were given a fair chance to draw conclusions of what I stood for, I had other things in life to do. Schultz then remarked that I was being silly. If I was worried about the purchase of my election, he would be glad to arrange a bet with me whereby I would bet \$5,000 that I would not be elected, and he would wager \$5,000 that I would be elected. If I were elected, I would have simply lost an election bet.

At this point I thanked him very much and told him I didn't want to bet against myself, and that for all practical purposes it was the same thing. After another pleasant 15 minutes and two more glasses of beer, I was driven back home by the same "Tom Brown."

It is interesting to note that "Tom Brown" later developed into the outstanding trigger man for the Dutch Schultz crowd and was

faster on the draw for the simple reason that he had no third finger to get in the way of "squeezing the rod," as they called it. He was credited by the police department with being the man who shot the gangster Vincent Coll a few months later. "Brown" was subsequently shot to death in a telephone booth on the upper East Side.

After that meeting I knew I was in for trouble in the poor section of town that was part of the Harlem slums, a section of which New York City even today is not too proud. I spent a lot of my time campaigning in that area and visiting the overcrowded flats of the people.

On Election Day these people didn't have a chance to vote. The gangsters ruthlessly ran up votes in their names on the election machines, and within a short time after the polls were opened in the morning most of the voting machines in that area were filled so that no one else could vote. Lines of these poor people extended around the block waiting their turn to cast their vote, but they were never able to do so because all the machines were full.

This could only have happened with the connivance of the so-called Republican and Democratic watchers, and with a policy of noninterference by the police department. Needless to say, I lost the election, but by only a small number of votes because I received an overwhelming majority in the middle of town. Approximately 120,000 people voted in the entire district and I lost by a little less than 1,200 votes.

I didn't mind losing the election so much as I did the fact that what I had seen showed clearly that the people of the City of New York were practically unfranchised. They thought they had the right to vote but their vote was worthless. The people in the middle of the town were disfranchised by the actions of the gangsters in the outlying, poorer sections.

It was then that I decided that in some way I had to sell this situation to someone so that it could be cleaned up. I hired two notaries public and two secretaries to work with me in the evenings. The five of us started out in that upper East Side section to get the voters to dictate their experiences on Election Day and, before they could be intimidated, to sign the statement before a notary. We collected over 360 sworn affidavits of the experiences of some of the people who had tried to vote. Some had been pushed out of

the polling places, some had had their faces slapped, others had the experience of gangsters going into the voting machine with them and being forced to let the gangster pull down the levers and vote for them.

My problem was to whom, where, and how I was going to sell my wares to straighten out this rotten situation.

First I tried the District Attorney of New York City. He was a Democratic Tammany Hall appointee, and he told me in no unmeasured terms that I was wasting my time, that no one would be interested, that all I would accomplish would be to get the poor people who had given the affidavits into trouble; and that they and their families might be beaten up if they attempted to testify. It goes without saying that I didn't leave my affidavits with him.

Then I went to see the Attorney General of the state in Albany. He was a little more polished about the matter but told me in polite language that the election was over, and that I ought to forget about it. He too was a Democrat. I argued with him at some length and tried to sell him a bill of goods on what this meant to the people of the country as well as the people of the City of New York, but as a salesman at that point I was a dismal failure. The forces and factors at work against me were too strong.

For two weeks thereafter I thought over how I was going to sell this situation to the American public and in some way, somehow, sell someone on the idea of the necessity of investigating it and bringing the facts out in the open. I knew it would not only involve the lives and habits of the gangsters, but also the local Republican and Democratic politicians and the police department, and I knew the forces against me were well established and powerful.

Finally I got on the train for Washington and went into the office of the head of the Federal Bureau of Investigation, Mr. J. Edgar Hoover. I sent in my name and asked for an opportunity to talk to him. In 20 minutes I was seated alongside his desk telling my story.

Mr. Hoover was very much interested and I found him a sympathetic listener, but he told me that the Federal Government had no jurisdiction in the local elections. He knew of the existence of the liquor lords and their gangster mobs and wanted in some way to be able to put them out of business. But the result of my trip seemed to be the same. I stayed on and tried to sell a program. I

got him sufficiently softened up so that he directed me to one of his assistants to see if I could sell him a bill of goods on the possibilities of action. I spent the better part of the day with the FBI and when I left I had convinced Mr. Hoover and three of his assistants of the desirability and need of action. We had dug up an old regulation to the effect that if a local election in some way influenced or affected the election of a Federal office holder, the FBI would perhaps have jurisdiction. I don't believe I ever spent a more argumentative day in my life in getting that far on the selling of a program. The rest was much easier and is now history.

Returning to New York I went to the men and women who had signed the affidavits and had them add a postscript stating that the fact that they had not been able to vote for me made it impossible for them to vote for the candidate for Congress.

When I next returned with my portfolio, Mr. J. Edgar Hoover telephoned the Attorney for the Southern District of the State of New York, who was then George Medalie, with the suggestion that I go to see him. They also suggested that he investigate very carefully the affidavits I would present to him and see if something couldn't be done.

I had never met George Medalie before, but we later became warm friends. He studied my affidavits in his office for about five minutes and then pressed a button for one of his young assistants, to whom he would assign the case, to see whether the people who had signed affidavits would come in and testify in person before a grand jury. The door opened and a young man came in who was introduced to me as Mr. Thomas Dewey. I went to Tom Dewey's office and turned over my portfolio of affidavits. At a conference with Tom two weeks later, he told me that he was surprised at the willingness of the people to tell their story to a grand jury in spite of the fact that some of them were later beaten up by the gangsters.

The net result of that sale was an investigation of election frauds in New York City in which the boards of elections were indicted and an investigation was started into the running of the city and the police department by gangsters. This investigation brought about the Fusion campaign of 1933 and the election of LaGuardia as mayor. It also helped to bring to the front the great qualities as a prosecuting attorney of Governor Thomas E. Dewey.

My sale was made.



GERALD M. LOEB

is a partner in E. F. Hutton Company in New York. He is, at 51, one of Wall Street's shrewdest and most successful traders. He lives in a manner befitting his station. In a splendid Chrysler convertible built especially for him (its license number: LOEB), he commutes from his weekday home at the Waldorf-Astoria to his week-end hideaway on a 100-acre estate in Redding, Connecticut. In summer taking his car, his driver, and movie-making paraphernalia, he may be off on a trip around the world, circumnavigating South America, or crossing Africa from Capetown to Cairo, taking movies as he goes. He pays for all this luxury with an austere, back-breaking schedule in Wall Street. He does not drink or smoke, and rises so early that by the time he reaches Schraffts at 31 Broadway, where for 20 years he has breakfasted on specially basted fried eggs and toast at precisely 7:30 A.M., he has already read all the morning newspapers from beginning to end. By the time the Stock Exchange opens at 10 A.M., Loeb has already spent two hours at his desk digesting the bulletins on late developments flashed him by branch offices and correspondents all over the globe.

Born in San Francisco in July 1899, Mr. Loeb lived through the San Francisco earthquake, but he remembers more clearly a siege of infantile paralysis in 1909, which left him slightly lame and frustrated his lifelong desire to be an architect. But if he could not make architecture his profession, he made it his passion, with such contagious warmth that famed architects like Frank Lloyd Wright and Bernard Maybeck have not only designed homes for him but count him a personal friend.

Scores of other admirers among the famous and wealthy have for years entrusted him with the management of their investments. Long a bachelor, Loeb successfully posed as a "woman hater" until 1947 when a gentle-spoken widow, as full of common sense as unaffected charm, convinced him of his error.

4. I Don't Sell — People Buy From Me

YOU CAN'T SELL ANYTHING to anybody if you can't sell it first to yourself. This principle, more than any other, runs through my story of how to go about starting in the stock brokerage business as a "customer's man" without customers, and build up to what people loosely call a top securities salesman. Episode by episode, the story is not great, dramatic, or outstanding. No one great coup put it over. It is a repetitious tale of building brick by brick. Yet taken together the achievement is outstanding. I have always wondered why so few achieve something that is so easy.

My career began at the bottom in San Francisco. I had had half a high school education and all my playtime had been devoted to architecture, cameras, travel, and automobiles. I did not at that time even read the financial pages of the papers. At 21 I was catapulted into the securities business when I decided to go to work instead of training for architecture as a profession. The question was what I should do. Sell automobiles or cameras? Books, insurance, real estate, or stocks and bonds? Selling one of the latter was among the accepted fields for untrained beginners those days. I chose bonds. I did not then know the difference between a stock and a bond or a dealer and a broker. I certainly knew nothing about selling except that I did not like the idea. I never learned to like selling and I don't sell today. Instead, people buy from me.

My first job was bond salesman for a retail bond dealer in San Francisco where I was given one day of training. The second day with the company I was supposed to go out and sell. The third day I quit. I quit because I was asked to sell a security I did not believe in. I had no way at that time of really knowing why this security was not good. The commission I was to be paid on this

particular issue, however, was suspiciously high. I sensed even then that good things sell, or are bought from you, without a special markup. So I believed that this security was not a good one. Later on my hunch on this particular bond proved correct when the company that issued it ran into trouble. In all the years since then, I have found that same principle to hold true.

My second job was also in San Francisco with a New York Stock Exchange brokerage firm that had a ground floor office in a leading hotel. I was in the bond department behind the counter. Strangers came in all day off the street to ask for information on new bonds advertised by window cards, and it was my job to direct them to a customers' man, give them a circular, or show them a financial manual. Many of these people mistook me for a salesman. There were no rules those days against anyone, even a novice such as I was, taking orders. So I gradually built up a total of about 85 customers in the nine months that I held this position. My selling technique, if that is what it could be called, was to try to guide customers into what I thought were the best securities to own at the time and generally into less of them than they intended to buy. I knew even then that most people are overanxious to have all their money working, as they term it, by being always fully invested in the market. Actually greater final net returns are achieved by a combination of more conservative purchasing in totals invested with more attention paid to buying and selling the right securities at the right time. A profit of ten points in 100 shares of stock is far more desirable from many angles than a profit of one point in 1000 shares.

Actually I did not know then which were the best securities, when to buy them, or what to pay for them. I did the best I could. But I was studying all the time, especially reading everything in sight on the subject of stocks and bonds and markets; on investment, speculation, money, insurance, real estate, and economics. My working hours those early San Francisco days were about 12 hours in the office and my studying time out of the office a minimum of four hours. One thing is certain: Success takes time. I often worked alone in that office during an entire holiday on projects that I selected for myself. Such hours were not required by the firm for I never had trouble keeping up with my regular work in a normal 40-hour week.

These events took place about 1921 when the market was very low but going up, and I got along better than might be expected. I was taking orders from clients and trading for myself as well. I made a straight \$90 a month as I remember it, plus what I could make in the market. My capital for personal purchases was about \$13,000, an inheritance from my father.

From the first I became one of my own best customers. If you cannot successfully practice what you preach, you might as well throw in the sponge. There is a vast difference between the theoretical and the practical, and this difference can only be bridged by taking your own medicine and seeing if you live through it. That is why I say you can't sell anything to anybody if you can't sell it first to yourself.

I was officially in the bond department but my interest very rapidly became greater in stocks. I had a desk between the firm's statistician and the bond man, and I helped each. I liked working on statistical reports and taking orders for stocks with a little fill-in bond trading with local dealers. I always believed in the printed word. This belief, plus my dabbling in statistics, led to my starting to write signed articles for the local newspapers. How I got my first story printed I can never recall.

I think it was in the San Francisco *Call and Post*, Friday, November 18, 1921. The article concerned Liberty Bonds and was about 600 words long. The next clipping I have found is dated December 2, 1921. After that the articles came thick and fast in various western publications. By August 1922, I had my photo as well as a by-line. Also, in January 1922, I devised and had published a large chart on bond prices in the editorial pages of the San Francisco papers. This chart was credited to my firm.

This publicity was helping my firm, as well as myself. It encouraged prospective clients to ask for me, and it made those who already knew me feel they were talking to someone with more than run-of-the-mill knowledge of securities. These first stories were necessarily simple condensations of facts anyone could find in the popular manuals. Still I don't recall much if anything along these lines printed locally at that time. The articles told about an automobile company making automobiles and a steel company making steel, and if a share paid 6 per cent I wrote that it paid 6 per cent. Anybody could have written these articles if they took the trouble,

but hardly anyone did. The only value these items had was that they were an easily read condensation of financial facts, and they helped fill the financial pages. From these articles the readers could get their information in brief form in their daily paper. However, my writing helped me enormously in building a reputation.

Also, the financial editors of those early days became great friends of mine. Men such as Tom Dargie of the *Call* and Oscar Fernbach of the *Examiner* did a lot for me. Naturally, I wanted to do all I could for them. The financial press releases were quite sketchy those days so I tried to give the editors stories, news, and "scoops" of interest to Californians over my firm's privately leased telegraph wire from the East. It was equally natural for them to tell me bits of local financial news before publication. Gradually I became better informed and began to know a few things before they appeared in print. So my progress went, bit by bit, very un-theatrically.

This second job might have lasted all my life but I quit again, this time after nine months instead of after three days. As it happened, I left this job for the identical reason that had caused me to leave my first one. One of the members of the firm where I had worked for three days came over and became my immediate superior. At once he tried to enforce the same tactics I had fled from previously. Once more he tried to force me to sell clients securities that I felt were not best for them, and tried to stimulate sales with special commission markups.

So I resigned and became San Francisco manager of the E. F. Hutton & Co. local statistical department. The title was more than the new salary of \$110 a month. I had only one assistant under me to manage. I also brought with me to E. F. Hutton & Co. practically all the 85 customers I had acquired during my nine months at the second firm. This transfer, I know now, is not an easy thing to do. Stock brokerage firms sometimes lose employees who think their customers are personal to them. However, departing employees find that these clients are actually not theirs at all when they try to take them to a new firm because the clients prefer to stay on with the old and have a new man service them. My success in this direction certainly proved that putting the customers' interest first paid off.

I have been with my present firm for over 27 years, first as an employee in San Francisco, later as an employee in New York, and finally as a partner in New York. At any time during those 27 years, had any of my associates interfered by forcing me to sell a client something I did not feel was best for him or was too much for him to buy, I would have quit again for the third time. I would quit today under the same circumstances.

Before starting in my new position as San Francisco statistician for E. F. Hutton & Company, I felt I had to make a trip to New York City. The New York Stock Exchange was in New York and so was Wall Street where was located by far the greatest concentration of capital, power, brains, control, and everything that made the whole country tick. I used to be quoted in San Francisco papers under a heading, "Talks By Men Who Know." But did I really know? I thought not, but I knew that the men in New York did and I could learn if I went there and got to know them. I did not expect to do more than visit, however.

I paid for this trip myself and although I had the money, the trip would not generally be considered a prudent expenditure. However, time proved it the best kind of personal investment. I lived most modestly those days. The lowest range of my living costs had been only a couple of years before—\$60 a month for room and board. Naturally clothing and other personal expenses were in keeping with this scale. Because the sole purpose of my trip was to meet top people who knew and could give me information, the whole trip would have been wasted if they had not accepted me as one of them. So I bought millionaire's clothes, a \$185 suit, not the kind one can afford on \$110 a month. Everything else about the trip was scaled at what I thought was the millionaire's level. I felt quite sure that if I could meet the right people I could hold my own with them. I think the style of this trip possibly shortened by ten years the length of time required to make the contacts I achieved. I am convinced I could not have succeeded if I had arrived shabbily dressed and lived in a third-rate hotel. I am just as convinced that even if I had taken a floor in the Ritz, I could not have made the friendships and connections that I did if my intellectual and ethical level had not measured up to my ambitions.

The trip was a great success. I came back from New York with

more knowledge than when I left the coast. I knew the sources in New York where, by telegraph or letter, I could gain financial information that I never could have secured in San Francisco. Now I really had something to tell my western newspaper friends that was worth printing in their papers and was not to be had out of books. I could do a better investing job than before. My stories were no longer the obvious and simple ones of the early 1921 days about "automobile companies making automobiles," which anyone could have written had they made the effort. Now they contained news that few others knew. My articles were now of the sort that told of a new model car and how it promised to affect a particular corporation's earnings and thus the market price of its shares. I was starting to have something to sell that could not be bought easily anywhere on Montgomery or California Street.

Facts, even facts that most people don't know, are not enough to guarantee continuous success in the stock markets. Judgment of what these facts mean and the effect they will have is equally necessary. Although my judgment was improving with experience, it was still somewhat sketchy. Fortunately, the judgment of most of my competitors was also rather sketchy so my lack was not the handicap it might have been. However, around this time I suffered the worst loss in the stock market, proportionately to my capital, that I have ever suffered in my life. I lost partly because stocks in general went down a great deal and partly because I was "taken in," so to speak, by a pretty shrewd stock syndicate manager of that day. Nothing that ever happened to me did me more good. I should put flowers on the grave, daily, of the man who fooled me, as a token of all that he saved me later on. The lessons of that 1923 market break taught me what I had to know in order not to get caught in the crash of 1929 to 1932. My own suspiciousness of markets and people that was born in those days has been a potent selling factor ever since. If I am not easily fooled, then neither can my clients be.

When I started on my new statistical job with Hutton in San Francisco, I wanted also to make a sales record. I had an idea that straight statistical and analytical, or investment research work as they call it more often nowadays, had a very definite salary top. When you reached that top, you could go no further. But the actual bringing in of dollars income to your firm was another story.

There could be no top other than that measured by your own production or sales success. Although I still disliked orthodox salesmanship, I did like the fruits of good selling and wanted to achieve them in my own way. So for the first time I went out after new accounts on my own.

In those days telegraph connection with New York markets was irregular and fast service was confined to only a very few security houses with privately leased wires. I had noted that it was the custom in San Francisco for the local bond traders to "arbitrage," as they called it, by concealing rapid changes in the New York market of various bonds popular in the west. They bought these bonds cheaply in San Francisco when the New York market stiffened suddenly or sold them in the West at what seemed concessions in the price when they knew the New York market was sharply lower. In this way the local traders handled a few orders at a wide profit per order. I felt that the best way for me to break into this institutional field was to give a service that was calculated to bring me a great many orders at the low standard New York Stock Exchange commission for each. So I began to keep all the western traders posted on the New York changes just as a matter of accommodation. Instead of my trying to grab an undue spread, I told them the story and left it to them to route their orders my way instead of to the competition. It took only a few days for me to develop one of the largest bond businesses of that type in the city. When the others started doing the same thing, I had the lead because I was there first and had forced them into adopting my method.

I was very happy and proud of my new connection, and I felt sincerely that I worked for the best, biggest, and most desirable New York Stock Exchange member firm in the city. Anything that did not seem to agree with this opinion annoyed me no end. I was especially disconcerted by the way in which one afternoon newspaper handled its record of New York Stock Exchange transactions. The paper had almost a full page of the important stock tables with the by-line that they had been furnished by a competing member firm and that the figures had been brought west over the exclusively leased private telegraph system of that firm. This happened to be the house where I had held my second position. I felt that people would only know how dominant Hutton was if the

Hutton by-line were on that major table each day. Today, of course, all these figures come over the press wires but we had not reached that stage then, and the firm that supplied the tables really had what amounted to the best advertisement in the city.

In December 1923 I started to go about getting that by-line for Hutton. Arrangements of such long standing cannot be shifted by ordinary salesmanship or even through close friendly connections. I had to offer some compelling reason for dropping one house and substituting mine. In San Francisco, the close of the New York markets normally occurs at noon coast time instead of 3 P.M. as in New York City. It occurred to me that if the service were fast enough, this big closing stock quotation table could make the home editions of the afternoon paper. This principal edition was delivered by carrier all through the San Francisco residential districts to the subscribers' doorsteps. The suppliers of the service were so slow that only the late financial editions were getting the closing quotes.

I talked the plan over with the editor and at first he said, "No." But later he said that if our competitors had full notice of our intention and if, after that notice and after their own best efforts to speed up their service, we still succeeded in beating them by a substantial time differential every day for a solid week, then E. F. Hutton & Company would supplant the competition.

So the big race started. Of course we won by a big margin and the shift was made, or I would not be retelling the tale here. We did it because E. F. Hutton & Company actually had better wire service and put an enormous amount of effort into working out short-cut codes for transmission with Brickhouse, who was then E. F. Hutton & Company's star wire chief in New York. We also cut time in San Francisco by such obvious ways as having a motorcycle with engine running waiting for the sheets to come off the wire. The competition failed to make the grade. Here was selling again without salesmanship, for the situation I created was so attractive that the buyer had to buy.

About this time, I received the first of several offers to move to another house at an increase in pay. This time it was a very big increase. I was offered the comanagership of a new New York Stock Exchange office to be opened in Los Angeles at a starting salary of just about as much per week as E. F. Hutton & Company

was paying me per month. I told Hutton about it and got a couple of days off to go down and look the ground over. I was also told by Hutton that they were entering into no competition for my services. I turned down this offer of more than four times what I was earning on the theory that success doesn't come from getting the quickest dollar. I felt that working for small commissions per transaction and getting people to buy less shares than they intended if it seemed for their good would in the long run pay off with the largest final totals. I also felt that the right attitude towards a job was not what it paid at a particular time but what it offered over the years. I did well to stay where I was because that Los Angeles office closed in a few years.

A reoccurrence of the trouble with my health that had previously blocked my study of architecture forced me back to New York for medical attention. Once back there again, with my ailment cured, I found it very hard to return west.

It seemed to me that since I was connected with a Wall Street firm, Wall Street was the place to be. I never believed in compromising for anything less than the best. So in 1924 I decided to make New York City my home and 61 Broadway my permanent business address. It's my business address still today.

For a man of 24, and an employee of a year or so, I brought a marvelous letter of recommendation with me from the San Francisco Hutton partner. I was given a job in the New York office, which almost overnight became a much bigger one than I had anticipated. This advance happened because I had to do a little pinch-hitting market-letter writing. The firm's market-letter service was outstanding. There was a short page in the morning before the opening and a long page in the evening after the close with flashes of brief items during the trading session. All this information was telegraphed throughout the country over Hutton's privately leased telegraph wires and also mailed out from many cities. My pinch-hitting was so well liked that I was soon on the regular team. In fact, it was not long before I took over the management of the main New York statistical department of E. F. Hutton & Company.

By now things started to roll pretty fast. There is nothing in the whole wide world like printed publicity, nothing like the printed word, at least there wasn't in those days. I was building on both

sides of my market letter, which had a very big circulation, a readership of many, many thousands. On the one hand the letter encouraged its readers to seek me out. On the other, its circulation and influence gave me access to primary sources of exclusive information.

I was pretty busy those days talking with my new friends in the eastern press and my new contacts among the members of the New York financial community—brokers, investment trust, investment counsel, bank and, above all, corporate officials.

Yet without new clients and new orders I think my progress would have been circumscribed. I still felt as I had back in San Francisco that this kind of a thing had a ceiling, but getting orders or making profits did not. Clients were coming in pretty fast those days, mainly on their own, to buy something they wanted. I never directly sold them the idea. I tried to help them do better in the market, by making more or losing less as the times allowed, than if they had not consulted me. I tried to keep my clients safe and from doing more than they should. I kept them posted on the latest split-second developments. They got the information from me first and they got it accurately. All my dealings were pointed at the lowest commission per client per transaction, but the aggregate amount made the final total very big.

Most statisticians stayed statisticians and never got any order-giving clients because their approach was academic. "What do you think of General Motors?" someone would ask. "It's a good company," they would answer. That was the end of the discussion. I would answer the question with some others. "Why do you want to know? Do you own General Motors stock? Do you plan buying it? What else do you own? Have you other motor stocks? How much of your capital is invested?" And then they would get a reply that applied to them personally on what they should do and whether I thought General Motors at the price and as things appeared in the market was going up or going down. Such personal attention made another customer every time.

Of course, I was continually looking for more information and more places to make contacts so that I would have greater knowledge of what was going on and more and more investors would have an opportunity to decide whether I supplied a service they needed to buy. I use the phrase "service," but I don't mean I sold

anything other than just taking regular New York Stock Exchange commission orders. I felt that if I had information security owners needed, the orders would take care of themselves. So I kept up a very heavy correspondence and made personal calls on corporation officials everywhere. I soon was almost as well posted on the industries that appealed to me, such as the automobile, motion picture, oil, and mining concerns as I was on my own business. I would meet business leaders and try to advise them in the security problems of their own companies. I would ask them for information on their companies in order to appraise the market value and trend of their own shares. They usually needed help in figuring the values in their own stocks to say nothing of their other investments. If they were impressed with my manner of investigation, they believed that my knowledge of other companies and industries and of the market itself was on a par.

As an example, one of my favorite ports of call was Chrysler in Detroit and Walter Chrysler himself in his office high up in the Chrysler Building in New York. I naturally learned a great deal about Chrysler stock as an investment. I made a host of friends and clients. The Chrysler people thought enough of my slant on their product to ask me out to Detroit where, hidden away in a dense woods, they were testing their secret hand-built experimental models of cars to come. Once Walter Chrysler distributed to members of his staff about 40 copies of a long analysis I had made on his new "Airflow" car and what I thought might be done to improve it. This activity was a far cry from the "doorbell pushing" salesmanship and the stress on "PM's" that selling seemed to offer but I was building my business hand over foot.

I remember one top California executive who told me a great deal about his company. I liked it, and altogether my friends and I came to buy and own about 10 per cent of his outstanding shares, which turned out to be a fine purchase. But suddenly this man shut off his information. At first I could not find out what was wrong, but later he told me that I had scared him. "You knew so much about my affairs I wondered what your real aim was," he said. Somehow he feared a sinister motive, such as questioning the quality of his management. Of course, his fears were unfounded, and this was the only time that I have ever encountered such a reaction. Usually after I see the executives of a company, I try to see their

competition, their suppliers, and those whom they sell to in order to get a well-rounded and unbiased view of their situation. This procedure may not sound like salesmanship but of course it is. People buy more from "the man who knows" than from any high pressure sales talk that is given them.

Although I always sought a continuing account and not a single order, there were many individual accounts that came to me in various ways. We all have principles although few of us at best can more than adhere to them in a broad way. One of my principles was not to compromise. One day a stranger dropped into one of the western Hutton offices and read a wire of mine advising the purchase of a certain stock—I think it was Colorado Fuel—around \$85 a share. He bought it and when he returned to New York it had declined to about \$35 a share. He dropped in to introduce himself and see just who it was who indirectly caused him all that misery. After I had told him the story, he took his loss and replaced his investment with shares of Warner Brothers, which in time made up the loss and gave him a profit as well. Later he asked me to help him with various accounts that he held in different houses. I agreed but asked him to sell everything out, close the other accounts, and send over the money. I did not want to do a half-way job trying to pass opinions on securities I had not bought in the first place and was not especially well posted on. He did as I suggested. The move was successful, and we grew to be the closest of friends although I had taken his business as a stranger. Generally I try to refuse business from people whom I already know so well that I dine at their homes socially. I like to do business with strangers, coldly and impersonally, on a value-received basis. Later the relationship often grows to be a friendly, social one.

Buying and selling stocks for people is a retail business. In the days before the Securities and Exchange Acts of the New Deal, stock syndicates were wholesale business. A broker would do many times the volume of business in what the public called "pools" and in what the New Dealers sometimes correctly, I am sorry to say, and sometimes incorrectly called "manipulation."

I will always remember the first such major order and major responsibility that I had. It started indirectly with a study I made of two listed companies competing in the same line. The study

analyzed their profits and related their growth and market values. I sent one copy to a director of the larger of the two concerns, who was also a famous banker in the First National Bank of New York City. This was the *crème de la crème* of any and all banks in the country. It was said that the bank's required minimum daily balance to open an account was \$50,000. I made a friend of that banker and director and opened an account at the bank. Henceforth, every check I wrote was an advertisement of both financial worth and the best of connections. I also received much valuable financial information from the bank.

The second study went to the head of the smaller company. He invited me to meet him and to come not to his regular office but next door to a private office high up in the tower of a midtown office building. I did not know it beforehand but this man was not only a top corporation official, but a top investor and capitalist as well. The tower office was his private investing headquarters. He was and is one of the most respected, best liked, and widely connected men in the country. I did not know at that time, and maybe he himself did not realize it, but he is the kind that likes to help the young fellow along. I was 29, an age I then regarded as very old, but to him I was a young fellow. He had several sons and sons-in-law in the stock brokerage business, but we got along fine despite the family competition. There are several reasons that may have accounted for our friendly relationship. I tried to give him all the useful knowledge I could, even though an account at first seemed out of the question with all his boys in the stock-selling business. I was honest, but at that time I looked upon honesty as something that went without saying. In this latter respect, I was a bit naïve. I did not try to sell him a thing then nor have I tried since that time.

He was the man who brought me my first wholesale order by introducing me to a top oil man from Oklahoma who controlled his own company, which was traded on the New York Stock Exchange. His company needed a sponsor and I got the business. I had never done this work before, but I stayed up nights finding out how to do it. This first syndicate client got a top quality job for his money, and of course it led to similar business for me later on.

This acquaintance with all phases of the investment business also helped me with my private retail work.

A couple of years later this southwest oil executive's business dried

up, but I kept him posted nevertheless. Although he never acknowledged any letters, telegrams, or information, I kept on sending him any information pertaining to his business that would be useful to him. One day, a stranger, who was sent by my oil friend, the silent recipient of so much unacknowledged service, walked into my office at 61 Broadway. He said he had been told that "I could fill a little order for him." It turned out to be for 50,000 shares.

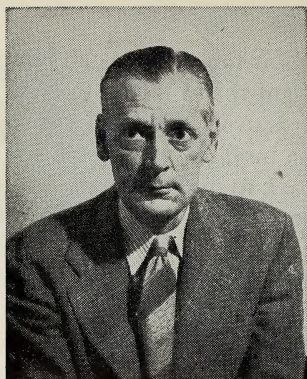
One of the largest continuing accounts I ever had, developed in a trivial way. We had an out-of-town broker doing his business through us in New York, and I planned to pay him a visit. Before leaving I checked the various important listed companies with headquarters in his neighborhood. On one I received a peculiar quote from the floor of the Exchange. It was a highly unusual and extraordinarily large bid at a very high price for the shares in question. When I reached my destination, my friends introduced me to the head of the company. He explained his large high bid as a "peg" to keep his stock from declining. The buy order was with a competing broker. It was thought that because so many of the company's employees were long of their own stock, much of it purchased with borrowed money, any decline would hurt their morale and the quality of their work for the company. I made an exhaustive study and presented it to the executive board, showing how no bid, no matter how large, could ever permanently hold an artificial price level and that the trouble eventually would be the greater. Also, I worked out a stabilization program that promised to work, combined with plans to allow the shares to seek their natural level later. Arrangements, too, were made to take the partly-paid-for shares out of the market and finance them privately. The result was that the order was cancelled with the competing broker, and our plan was substituted. Our firm and our out-of-town correspondents did a large continuing business. Our client friends found that the plan worked, and that their deflationary problems were successfully solved.

I recall another exceptionally large continuing order. I was asked to visit a company president who had some problems with his shares. He lived and maintained his office in a city on Long Island Sound and I decided to drive there after the market closed. Because I would arrive about 5 P.M., I was fearful of a dinner in-

vation, so I left word for the office to call him and leave a message for me that it was urgent that I return to New York as soon as our business was over. I arrived, discussed the stock market problem with him, lined up the business, and closed the deal all in an hour. As I started to rush back to my imaginary appointment, he told me how sorry he was because he had planned to have his private chauffeur drive my car back and he was going to invite me to go back on his yacht, dining on deck on our way down the Sound. My business had been successfully concluded so I told him frankly that my phone call was a dodge as a sort of a social block in order not to mix pleasure and business; and that I hadn't known in advance that I would like him so well. So we went on the boat, had dinner, became good friends, and later did much business together.

Another client was in the drug manufacturing business. I recall helping him collect every brushless shaving cream made and trying each one against various trial batches of new mixtures that he was testing. Finally we selected one mixture for consistency, odor, and such qualities as ease in washing off the razor blade and razor. We did plenty of investment for this man who discovered what we knew in our field and of course wanted to favor us.

So there we have the rules for successful selling: faith in knowing that what you sell or what service you render is the best you know how and continually serving people in any way that will benefit them without directly seeking their business.



F. G. VAUGHAN

is General Sales Manager of The Book of Knowledge Division, of The Grolier Society Inc., New York, New York.

Like many other successful sales executives, Mr. Vaughan's entry to selling was the result of an accident. His first direct-selling ventures were only a means toward gaining an education. With selling and study, nearly eight years elapsed between his entry into college and his graduation in 1929.

Graduating in the year of the well-remembered financial crash he realized that, for a young doctor, patients were going to be few and far between. Remembering the periods that selling had sustained him in college, he believed his selling ability might stand him in better stead until circumstances were more propitious for a young practitioner.

So, in 1930 Mr. Vaughan became associated with The Grolier Society Inc., publishers of "The Book of Knowledge," as assistant to the sales manager of that firm's Kansas City branch.

By 1935 he was sales manager in Kansas City and through a reorganization of the company in 1937 he became manager of the New York division of the company. Steady increases in sales volume and improvements in direct-selling techniques resulted in his being elevated to the position of coordinator of sales for all the company's activities on a nationwide basis in 1940.

In 1942 he took over the task of creating a new sales unit, a National School and Library Division, which has proven to be a stimulating factor in sales volume.

Mr. Vaughan's successful sales promotion efforts won him a vice presidency in The Grolier Society in 1945 and for the next two years he actively sparked all sales promotion and advertising activities of Grolier and its subsidiaries. Currently he is Vice-President and general sales manager of "The Book of Knowledge" division.

In addition, Mr. Vaughan is Vice-President and a director in the R. H. Hinkley Company of Boston and of The Richards Company, Inc., New York publisher.

5. How I Sold a Sales Idea

SALES MANAGERS who were active in the middle thirties will have no trouble recognizing what was then my main headache. Volume was down, dollars were scarce, and sales were difficult to make.

The country was just beginning to pull out of the long depression. Our product, considered by some a luxury item, was setting no new records except in mounting sales difficulties. On top of this, our staff of veteran sales people was becoming convinced that we had reached the saturation point in many sections of our territory.

Through fate and circumstance, it became my lot to meet this problem of depression, possible saturation, and a growing apathy on the part of the sales organization.

It is necessary to relive very briefly that period when sales volume was maintained by punishing sales effort and utilization of every possible angle in order to overcome the economic obstacles of the time.

My own knowledge of door-to-door selling was limited. My sales experience had been gained in the business field while I was working my way through college by selling printing, magazines, a business efficiency system, and life insurance and investments. On leaving college I became associated with The Grolier Society Inc., publishers of *The Book of Knowledge*. My first assignment was as assistant to a man who was recognized as one of the foremost sales managers in the entire subscription book business. I worked with him for five years until his illness and subsequent death resulted in my succeeding to his position.

Without the field experience that is so necessary in dealing with an experienced sales staff, I found myself in the position of having to carry on in the place of an individual who had achieved an enviable sales record.

I had to make good!

For a while I did. As a result of the planning of my predecessor, sales continued at a good level. But, within a few months, it became quite evident to me that something had to be done. I felt I was slipping, along with the sales curve.

The sales staff was using a talk and presentation that had been proven over many years. Used by qualified salesmen, it had resulted in remarkably high sales in the past. In fact, sales per capita in the area I was now managing had exceeded those of other districts. The sales staff was handling that same talk with the old fervor; they were employing all the experience and ability they possessed, but without the same old results.

Repeated calls in town after town usually brought the same story to our Saturday afternoon sales conferences. Despite economic conditions, despite every other factor, the salesmen believed they had reached the point of saturation because so many calls had been made that prospects knew the sales presentations as well as the salesmen themselves.

Clearly it was my responsibility to find a new answer or admit defeat. To succeed, I would have to find a way to sell books. Our *Book of Knowledge*, which for 25 years had had an enviable reputation of being the best liked of children's reference sets on the market, would have to be presented from another viewpoint. But what viewpoint?

Up to this point, we had just been selling books. Our sales efforts went little beyond that. Perhaps that was why people with restricted incomes were no longer buying books. Perhaps that was why some of our sales people believed we no longer had prospects. Perhaps in the previous years we had forgotten that books were to be read and that reading should be the principal reason for buying them.

After a great deal of thought I began to analyze the possibilities of a potential market. I found that the majority of the people who did not have jobs were, according to 1936 unemployment statistics, those who lacked education. Under those conditions, it seemed to me only natural that education was a marketable commodity. The unemployed individual realized his lack of learning was, to a large degree, responsible for his unemployment. The educated person, on the other hand, knew that his income, however restricted, was due in no small measure to his knowledge.

In *The Book of Knowledge* we had the work of dozens of trained editors and hundreds of expert and well-known writers in the field of education. We had an editorial content that was made to order for one thing: giving children a broad understanding of all the things in their world. I was convinced that our salesmen had more to sell than just a set of books. They really were selling education. But how could I get this across to a sales staff?

To convince the salesmen, I knew I would have to reshape our entire sales program, revamp our complete presentation, and revolutionize the thinking of every salesman in the organization, which was no small order for one in my tenuous situation. In my notebook it was simple. Quit offering parents another set of books and sell them a means by which their children could improve their education and further their chance for success.

In practice it was more difficult. First I did a bit of pioneering in a field that was new at that time, consumer research. A checkup revealed that hundreds of successful business and professional people had been reared in homes that had had *The Book of Knowledge*. We found many boys and girls who had won achievements above the ordinary because their parents had given them educational advantages over and above conventional schooling.

But how could I express this in a sales talk and sell it to a sales staff?

A new sales talk and streamlined sales manual were in order, and they took several months to prepare. Basically the talk had to stress the purpose and advantage of education and how *The Book of Knowledge* provided a needed supplement to formal educational practices. This program was the first attempt in our field of selling to deviate from an old and accepted routine.

As the new presentation began to take shape I found we could borrow from the automobile field because we had performance to sell, too.

I was reminded of Elmer Wheeler's famous sentence: "Don't sell steak; sell the sizzle." Mentally I adopted my own slogan: "Don't sell books; sell education."

Without informing my office associates or the sales staff, I developed the manual to the point where nothing further was to be done except print it and try it.

I approached a printer I knew very well and laid it on the line

with him. I needed a dozen copies of the new manual to prove that my different way of selling encyclopedias was sound. But I could only guarantee him repayment for time and actual cost of the typesetting, color plates, and printing involved. A gamble on his part might result in a substantial order for a quantity of these new sales kits. It took a lot of argument, cajolery, and a personalized sales drive on one printer, but he finally agreed.

It was an eventful day when these new manuals were delivered and the first attempt was made to place in the hands of our sales people a coordinated, blueprinted selling pattern. The sales talk was as yet untried but it seemed to have all the earmarks of success. Up to this time it was only an idea backed up by untried printed matter.

Sales were not getting any better, and I knew that the most difficult sale of the year was not the sale of ten thousand sets of books but the sale of a new idea that would spark our sales program. It meant getting the cooperation of seasoned sales veterans who would be skeptical of accepting any proposal that had not yet been proven.

I rejected the idea of presenting the new program to a general sales meeting. As long as I was doing it the hard way, I selected a half-dozen of the oldest, seasoned, and most skeptical of our sales staff. They were approached at the close of an unprofitable week. I asked them to help me to put the finishing touches on an entirely new sales presentation.

Then I passed out copies of the new manual to these men, who had come in from their territories further convinced that everyone had heard our sales story, that those who were interested already had bought, and that those with reduced incomes were not buying.

I asked them to follow me as I went through the new presentation, which I considered a different approach and a dramatic one because it would inject a new train of thought into parents' minds.

I wish I could say that these veteran salesmen accepted the new plan with enthusiasm. But it is more truthful to report they were skeptical. They saw it as just another one of those talks that looked good on paper but would not deliver. Perhaps, at the end of the meeting they were sold. More likely they acquiesced on the theory of "what have we got to lose."

But their real opposition developed when they were asked to

return to the same areas they had been working and try the new plan on yesterday's unproductive prospects. That suggestion I could not sell. As a compromise, the salesmen exchanged leads so that on Monday different individuals would follow up last week's calls, a new man presenting the new educational plan to a colleague's former prospects. Before that Saturday afternoon meeting broke up, one thing was clear; for the ensuing week, they would not be selling just *The Book of Knowledge*, they would concentrate on *selling education*.

With the misgivings of an author at a first night, I crossed my fingers and let fate take its course with this radical departure that I had fathered in book selling.

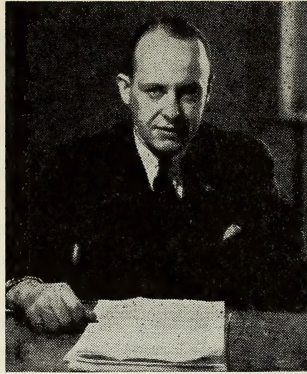
During the week the reports filtered in slowly, but they were indicative of success. At the next Saturday's sales meeting there was speculation aplenty on the part of the others in the organization as to how my Secret Six had managed to outsell all the others. As an experiment, however, it still meant little because the sales had been made by our most experienced personnel.

That afternoon the new plan was outlined to a group of younger and less seasoned salesmen who tried it out the following week with equally satisfactory results. Within a few weeks the printer got an order for a large quantity of sales kits and the entire organization was switched to selling, not books, but education.

It was not long until it became apparent that the office of my beloved late mentor, the most capable of sales managers, would keep its place as the top-ranking sales office of the country.

In a matter of months what had been a vagrant idea was successfully put into effect in other offices as a tried and proven method of increasing sales. During the years, I have seen the organization with which I am associated and many others revitalize and improve their sales techniques on the basis of that old suggestion, "Don't sell the covers, sell the contents."

But to me the satisfaction in the success of the plan grew out of my own determination to live up to a quota unconsciously assigned to me by a man whose memory constitutes today, as it did in 1936, a cherished challenge.



F. VAUX WILSON, JR.

Vice-President of the Homasote Company, Trenton, New Jersey, was educated at the Haverford School and then went to Lehigh and Columbia universities. After leaving Columbia, Mr. Wilson worked for four and a half years for the Ohio Insulator Company at Barberton, Ohio, where he became assistant production manager. He then went to New York and got a sales job with the A. C. Horn Company. He worked for this company for six and one-half years. For three of these years he was foreign sales director in Europe, covering all countries except Russia. After a year and a half with Remington Rand in their systems division, he joined the Homasote Company in 1934 as Assistant Sales Manager and was later made Vice-President.

For two years Mr. Wilson served as Second Vice-President of the Producers' Council, and for four years was on their board of directors and executive committee. He also served on their nominating committee, program committee and residential committee. However, due to the stress of business, he resigned recently from all committees.

He is still on the executive committee of the Modular Service Association and on the prefabrication subcommittee of the Pacific Building Code Conference.

The Homasote Company, the oldest manufacturer of insulating boards in this country, makes boards for the building field, the furniture field, and heels and platforms for women's shoes.

The precision-built system of construction was originated in 1935. The system was developed, not only as a means for giving people better homes at greater speed but also in order to create a wider market for the sale of Homasote.

During the war, Homasote Company secured and supervised some very large housing contracts, one of which consisted of 5,000 houses at Portsmouth, Virginia, which were completed in less than six months' time.

6. Hold High the Banner of Your Thoughts

BECAUSE I was a semi-invalid during the early days of my life and out of contact with kids in the usual ways, chess problems and their analysis became an all-consuming hobby. Most of my time was spent by myself. Unquestionably, this tended to develop an inferiority complex, which later proved to be a considerable handicap for a man who was endeavoring to be a salesman.

I was trained as a production and efficiency engineer, and my first job was in the production department of a large manufacturing concern in the Midwest. However, after four years of this work, it seemed best to round out my over-all experience by going into sales work. I will never forget my first call. The fear of going into the man's office was so great that I walked up and down in front of the building for half an hour. When, finally, enough nerve was conjured up to go in, I hastily faced the prospect and with completely uncontrollable nervous tension blurted out, "You don't want anything today, do you?" And he didn't.

Six months went by; and, although confidence was beginning to come, the sales results were not too good. It was quite apparent that sooner or later the ax would fall.

One Saturday morning, bright and early, the telephone rang. It was the office, which announced that the manager was away and so it had no other alternative but to call me. It seemed that Peter Gordon out in Hicksville was in the market for six carloads of material, which we manufactured, but which he had always bought from a competitor. Moreover, he was going to make this purchase over the week-end. In the telephone conversation, it was explained that Mr. Gordon had purchased his requirements for the past ten years from the competitor. Even if he hadn't, they knew I couldn't get the business, but the manager would be terribly upset if we weren't represented at all.

With tongue in cheek and fear in my heart, I said I would call on Mr. Gordon and see what could be done. He lived in the environs of Hicksville, but there was no street address. I jumped in the car and started out on the fateful twenty-five mile drive. The emotional strain was terrific. I had never sold even one carload, let alone six; and here was a prospect who had never bought anything from our company.

Suddenly, a familiar quotation flashed across my mind, "As we hold high the banner of our thoughts, the winds of God will rightly direct them." I determined to "hold high the banner" of my thoughts. It became apparent to me that if it were right to have the order, it would be given to me. Of course, I already had learned that there is no substitute for experience, but on the other hand, I knew that experience could only be gained by actually having it. I felt sure in my own heart that I was as much entitled to have the order as anyone else. I knew that I had a desire to work, the desire to render a real service, not only for my company but primarily to the customer, and that desire was honest. As the miles went by, something kept telling me more and more that it was right for me to have the order. A complete and satisfying calm ensued. All nervousness was gone, and before I knew it, the car was wending its way down the main street of Hicksville. Almost without any hesitation, I stopped at a Western Union office to inquire where Mr. Gordon lived.

The route was complicated. Because he lived some distance from town, I decided to go out part way and then inquire again. However, the most unusual thing happened. Instead of following the instructions, I turned around in the middle of the street and unwittingly went in just the opposite direction. Upon crossing the railroad tracks some blocks up the street, it suddenly occurred to me that I was going the wrong way. With mild self-condemnation for being so stupid, I turned around again and started back. As I approached the Western Union office, who should be out in the street looking for me but the Western Union man, and as I got near, he hailed me. He asked, "You were looking for Mr. Gordon, weren't you?" and I said, "Yes." "Well," he said, "he came into the office to send a wire, and here he is."

A keen-eyed little old Scotsman stepped up to the car and asked, "Well, young man, what can I do for you?" I told him the com-

pany I was working for, that I understood he was in the market for six carloads of material such as we made, and that I would like to show him the samples. He said to me, "You are a lucky young man. I was just going out to visit my jobs and I wouldn't have been back all day. Follow me." After about a 15-minute drive, we reached his home. He had a rather large room in the rear with a roll-top desk and chair; in the far corner, there was another chair.

With such calm presence as I could muster, I showed the samples and gave him the prices. He made pencil notes while I stood beside his desk. Everything seemed to be going beautifully when suddenly he looked up at me and said, "I need your prices on channels and angles and tie wire." Suddenly, the realization came to me that I didn't even know we made these things, so I started hurriedly thumbing through my price book to find them. The pages were practically blank, and I began to wish that I were in Timbuctoo. Gradually, a smile came over the old Scotsman's face as he watched me, and he said, "You are new at this business, aren't you?" I said, "Mr. Gordon, I am as green as the grass on your front lawn, but, believe me, I want to serve you. I want this order." Finally, he turned to me and said, "Go over and sit down, young man."

Probably only a few minutes went by, but it seemed like years. Mr. Gordon kept handling the samples, turning them over and over time and time again. His pencil was busy figuring on a piece of paper. I was watching every move. Oh, if I had only known that we made channels and angles and tie wire! This was going to work against me. Would I lose the order because I hadn't had sense enough to learn everything that was in that price book? Why had I been such a fool? I bet the salesman that worked for the company that he had always bought from knew about all these things. Why didn't he say something? Why didn't I say something? How long would I have to sit and go through this terrific torment? Yes, I was getting what I deserved. I didn't know my job. Myriads of things were going around in my mind, bad things. Fear thoughts. The company would fire me. The room started to go around. When all of a sudden, something inside me said, "Hold high the banner of your thoughts!"

At the end of an interminable length of time, he turned around and said, "Young man, aren't you going to write the order?"

Startled and overjoyed, yet so completely surprised, I said, barely above a whisper, "You bet your life I am, Mr. Gordon."

Now what was it that made me turn around and go in the wrong direction just to use up enough time for Mr. Gordon to get into the telegraph office? What was it that made a Western Union clerk come out and look for somebody who he knew had gone? What was it that caused Mr. Gordon to take the time off to go back to his office when he had started out on the round of his jobs? What was it that impelled him to give such a large order to a salesman who didn't really sell, particularly when he had been giving all his business to another concern? **If you don't know, I do.** It has to do with the quotation cited above.

But this whole thing goes much further. Immediately after I got back to Hicksville, I telephoned the office and told them that we had the order. Monday morning I got there bright and early with it and what happened? The manager thanked me very kindly, but said that my sales hadn't been large enough in the first six months to warrant their keeping me. So then and there I was fired. Yes, fired for the first time in my life. Why not? I hadn't brought in much business and I didn't even know all the things we made. I hadn't done a job. My heart was in the right place, but, evidently, I hadn't learned to think. Naturally, I wondered when I had brought in such a large order from a customer who had never bought from our company before, why they didn't give me another chance. Now, of course, I know. It wasn't in their power to give me that chance. A higher power was doing that guiding. Something inside of me kept telling me so.

Twenty minutes later I was in the office of the company from whom Mr. Gordon had always bought his materials. In less time than it takes to tell it, I had another job at 20 dollars per week more, plus a bonus. Ten months later, "holding high the banner" of my thoughts, another company came along and gave me a job that in the first year netted 14,000 dollars.

Providence had enabled me to make a big sale and had caused me to get fired, so I could earn 20 dollars more a week. Providence put me into a position where in 22 months, at 26 years of age, I had gone from 45 dollars a week to 14,000 dollars a year.

Generally, everyone has a turning point in his life, and this was mine. But the turning point was not the sale. The turning point

was the illumination of the quotation, "Hold high the banner of your thoughts." The true meaning of those words came to life, and the unlimited possibilities from following them brought confidence, the confidence that I could sell. It brought understanding of the need for a thorough knowledge of my product. It built up in me an insatiable desire to accomplish something. This desire was so great that I couldn't wait for the next day to come to go to work, and I was always sorry when the last possible prospect had closed his doors at the end of the day. Along with it, it brought a desire to create new things, to try to do the job better. Above all, it brought a sense of gratitude at the end of each day for all the good things that had happened. It had opened my eyes to the fact that man has a Maker who guides his work and his fortunes, who lifts him up when he is down, if he will only hold high the banner of his thoughts.



JOHN M. WILSON

the Vice-President of Sales in the National Cash Register Company, Dayton, Ohio, is an example of an executive who "began at the bottom of the ladder" and through sheer belief in his company and the service of its products to business rose to leadership in his field.

Mr. Wilson started as an office man and shortly afterward was promoted to salesman. Later, he was appointed branch manager and subsequently became division manager and sales head of the Accounting Machine Division. On January 1, 1943, he was appointed Vice-President of Sales, elected to the board of directors and made a member of the executive committee.

Mr. Wilson, one of the nation's crack salesman, is a director of National Sales Executives, Inc., a member and past director of the American Management Association, a member of the Office Equipment Manufacturers Institute, United States Chamber of Commerce, Ohio State Chamber of Commerce, Engineers Club, and Chamber of Commerce of Dayton, Ohio.

Under his direction, National's sales have been maintained at a high level through the expansion in their sales organization and their intensified sales training program.

7. The Greatest Sale I Ever Made

MY GRANDFATHER always extolled the virtues of being in business for one's self. He said that one puts his own individuality into his business. If he is successful, he can take the credit for it; and if he fails, he has no one else to blame. "When you grow up," he would say, "get into business for yourself. Be your own boss."

As a youth, his recommendation made a strong impression upon me. But as I grew older and worked in retail stores on Saturday afternoons, and later took a full-time job in a semidepartment store, I began to realize the fallacy of the idea that anyone is ever completely "his own boss."

The man in business for himself soon learns the limitations of his prerogative as a "boss" and realizes that he must develop the ability to inspire others and win their co-operation. Also, he eventually learns the truth of the trite statement that in the final analysis "the customer is the boss," and everything possible must be done to please him.

It was about this time that newspaper accounts began to reveal the large salaries paid to certain individuals in managerial capacity in certain companies. The salaries indicated that these companies realized they would have to attract the type of man who would be an outstanding success in his own business and that the incentive offered would have to be commensurate with the financial reward in a business of his own.

It was the beginning of a significant development. Whereas previously the outstanding leaders had been men who owned and operated their own businesses, with each passing year fewer and fewer were owners and more and more of them were managers, operating the business for the stockholders. In 1947, the growth of this trend was confirmed in a dramatic manner when *Forbes Magazine of Business* asked thousands of businessmen throughout

the nation to vote for the 50 executives they considered the most outstanding business leaders of the day. Nearly all of them were managers, not owners, of the businesses they represented. But 30 years before, of 50 business leaders similarly chosen in a nationwide poll, nearly all had been owners or principal stockholders of their companies.

After graduating from high school in my home town of East St. Louis, Illinois, and after two and a half years' work in a store there, I began to realize that it would take me a long time to save enough money out of my salary to go into business for myself. Furthermore, I would have to start on a small scale and face many long years of effort to build a worth-while business.

While employed in this store, I conceived great admiration for the National cash registers in use and the quick service they rendered to customers. I came to the conclusion that if I went with a large organization of that kind, I would have the benefit of its vast capital and organization; its engineering, sales promotional, and advertising departments; and all the other factors that are part of a large and successful business. As my interest in the use of the National cash registers increased, I became convinced that I could make progress toward my objective much faster by joining a large concern than by going into business for myself. This conviction led me to apply for a position with the local branch manager of The National Cash Register Company.

Several years later, because of a successful sales record, I was paid the tribute of being invited to make a talk at a meeting of the entire sales force held in Dayton. As usual, John H. Patterson, founder of the company and the man who is now recognized throughout the world as the "father of the science of salesmanship," sat in the front row. Mr. Patterson was a dynamic man and an unpredictable genius. His personality and outstanding success had gained him a worldwide reputation. Many men stood in awe of him. Therefore, as I glanced at Mr. Patterson, I felt a deep momentary anxiety as to how he would react to what I was determined to say. But my conviction restrained my anxieties and gave me courage, and I said:

"Gentlemen, probably because by nature I have always been serious-minded about the future, even my first full-time job caused me to wonder about the opportunity it offered for financial independence. Like so many young men, I had been advised to get

into business for myself. But I soon realized that it would be a long time before I could earn enough, let alone save enough, money to go into business for myself.

"But I found that I could get into business for myself under the most unusual circumstances, in that the man who was willing to put me into business would also be working for me. This person is Mr. John H. Patterson."

Out of the corner of my eye, I saw Mr. Patterson straighten in his seat and become all attention. I could not tell whether his interest had been caused by annoyance or approval, but I continued:

"If I were in the retail business for myself, I should have to buy my merchandise and pay for it, whereas Mr. Patterson not only supplies me with the cash registers I sell, but he has an engineering department that is already anticipating the needs of the future for at least 15 to 20 years.

"If I were in business for myself and my merchandise were sold on credit, I should be obliged to borrow money with which to finance the accounts. Mr. Patterson carries all of these accounts for me.

"If I were in business for myself, I should be forced to plan all of my advertising and pay for it as well. However, Mr. Patterson has assumed this responsibility by providing me with the benefits of the finest advertising of any company in this country.

"If I were in business for myself, I should have to reinvest most of the profit in the business. But Mr. Patterson pays me my profit in cash, which is invested and pays interest to me.

"In the beginning I made the statement that Mr. Patterson is working for me. This is literally true, because he is constantly thinking and working to do the things that will increase the sale of NCR products on my sales floor, which covers 31 counties in the state of Kansas."

Mr. Patterson suddenly rose from his seat. Holding up his hand, he said:

"Just a minute, young man!"

It was a highly dramatic and tense moment. The 2,500 persons in the audience were electrified because few persons ever knew what would offend or please Mr. Patterson. I shall always think that my heart stood still in suspense. Then he said:

"This young man just stated that I am working for him."

He paused again, and the pause intensified the already acute interest of everyone in the audience. Then Mr. Patterson went on:

"All of us are working for somebody. You are working for your wives and children. I feel sorry for anyone who does not have someone dependent upon him.

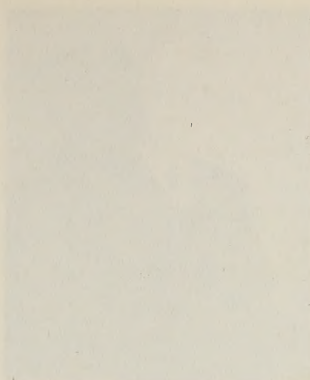
"Some of you may wonder why I work as hard as I do. My personal needs, as well as those of my immediate family, have been amply provided for. Then why do I continue to work as I do? I have said that you have your families dependent upon you. But, actually my family embraces all the members of the NCR family, which includes not only all of the thousands of employees here at Dayton, but other thousands throughout the world.

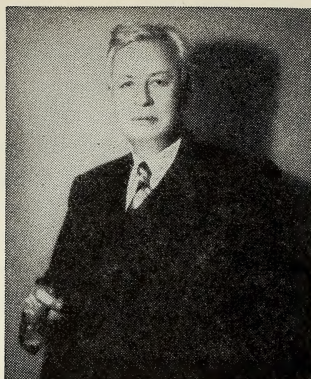
"Mr. Wilson says I am working for him, which really means I am working for each and every one of you. When he made that statement, he displayed a better understanding of my purpose in life than anything anyone has ever said."

I have always felt that what I said on that occasion proved to be the greatest sale I ever made because it gained for me recognition that started me on the road to a series of promotions. Shortly after this convention, Mr. Patterson said to our sales manager:

"Where is that young man who said at the sales convention that I was working for him? We should have him here in Dayton."

At that time I was manager at Salina, Kansas, but I was called to Dayton and appointed special assistant to the sales manager. In this work I traveled throughout the country giving sales assistance to our men in the field. This job was the beginning of a series of appointments to increasing responsibilities in our sales organization.





Shelburne Studios

HORACE B. VAN DORN

the Vice-President of the Joseph Dixon Crucible Company, Pencil Sales Division, of Jersey City, was born in Red Bank, New Jersey and graduated from the local high school. He worked as a clerk in a clothing store and did odd jobs for several years before entering engineering college at Ohio State University.

Mr. Van Dorn left Ohio State University after two years to go to work as a draftsman with the Newport News Ship-building and Dry Dock Company. He was in this occupation for less than three years and then became traveling salesman for Alfred Field & Company of New York, importers of Joseph Gillott & Sons steel pens and Joseph Rodgers Sheffield Cutlery. This job gave him his first real sales experience except for his work in the retail store as a boy. In his new job, he travelled through some 25 states from New York to Colorado and through the Southeast selling mainly to schools and wholesale and retail stationers.

After some success in this field, in 1908, he secured a similar position with the Joseph Dixon Crucible Company of Jersey City to sell Dixon pencils and related products in New Jersey and New England. He shortly became their principal pencil salesman in New England with headquarters in Boston. In 1922, Mr. Van Dorn was promoted to be special representative from the Jersey City headquarters to work with the other salesmen in all parts of the country. Later, he became successively Assistant Sales Manager, Sales Manager, and Vice-President.

Mr. Van Dorn has always been active in association work in the stationery and office equipment business. In 1945 and 1946 he served as Vice-President of the National Stationers Association as Chairman of the Manufacturers Division.

8. The Longest Way 'Round, the Shortest Way Home

A GREAT GAME this Selling! It has innumerable angles and facets, and the effective salesman plays all the corners. When we hear of orders "almost taken," we are reminded of the batter who made a home run but didn't touch the second-base bag! The run didn't count. As with "almost sales" something was overlooked. The salesman must be a thorough worker in order to locate his prospects, to understand them, and to appeal to them so that they may be persuaded to buy his product.

Selling to the large industrial or institutional consumer is more difficult than selling to a merchant for resale to his transient or "store trade." The dealer, wholesale or retail, has to buy from someone frequently so he must merely be convinced that the salesman's products are marketable and that he is the one to buy from.

If the purchaser is a large corporation, the approach and selling task becomes much more complicated. The great corporation, whose business is so desirable, usually has a central purchasing office to supply plants and offices scattered about the country. The chief purchasing agent is well informed as to the merits of various products but he delegates the buying of these products to assistants with various degrees of authority. The assistant will often have authority to buy "as before" but no authority to change specifications. He buys on requisitions and may not himself know the source or authority for the brand or type specified on a particular requisition. It is his job to get the product at the best price and delivery from a reliable supplier.

It is in such a situation that the salesman who is soliciting corporation business really meets his problem. Though it may not be the intention of the actual buyer, here is where the salesman may get the "brush off" or the "runaround." Though the buyer's aid

may be enlisted, his authority is limited. He travels along his groove and cannot always question his direction.

We had a really mystifying case like this some years ago with one of the "blue chip" corporations. The specification of the corporation's lead pencils was involved. Our salesman had gained the good will of the actual buyer, an assistant purchasing agent to whom the salesman had originally been referred. The buyer seemed to be interested, but he didn't buy. After a while he said the determination of the brand was in the hands of his chief, the purchasing agent, and our salesman should see him. He did. The interview was pleasant enough but the P. A. said that he couldn't change because his chief, the treasurer of the company, insisted upon their buying the brand they were using. This situation really stopped our salesman because the treasurer was located at the executive offices in a distant city.

At that time, I was special representative in our sales department and had been recently promoted from my own territory to be a sort of big brother to the other salesmen. This impasse was reported to me. I had recently seen in the annual report of the corporation involved that its operating income had been about a hundred million dollars the previous year, so I doubted if the treasurer was much interested in what pencils were used as long as they would make large black figures.

Because I was going to his city soon, I thought I would pay him a call to see how much he was interested or might be interested.

Would he see me if he knew what my business was, or would he just refer me back to the purchasing department? Perhaps I could have wangled an appointment by finding some friend who knew somebody who knew him, but that idea didn't occur to me. I decided to take my chances, so I went to the corporation office at about ten o'clock in the morning when I thought the treasurer would be well settled. I did not take a sample grip but filled my pockets with pencils and erasers. It was winter and my clothing had plenty of pockets.

The elevator opened into a large reception room where many were coming and going and waiting. The usual pleasant and busy young lady at the reception desk and phone asked whom I wished to see. "Mr. 'Burbank,' the treasurer," I answered. "Who shall I say wants to see him?" "Mr. Van Dorn (in a voice as though

she should have known).” “He is engaged now but will see you in a few minutes.” Here was luck. She didn’t ask for a business card. My beautifully engraved cards and our firm name are among the most respectable and respected. However, my card would have brought up a lot of discussion as to why I should see the treasurer and a call to him as to whether he really wanted to see me or not. The conclusion would probably have been that he was not the man for me to see. Business cards are fine to leave on departure, but presented in advance of a cold call, they sometimes let the recipient know too much about your business.

In a few minutes the receptionist looked my way and said, “Mr. Burbank will see you now.” Of course, I could not give myself away as a stranger by asking where his office was. I went through the double door into a long corridor with no names or titles on the doors, but a clerk who came along directed me to the treasurer’s office.

I met a large austere and elderly man and told him quickly of my company and business. He did say I had made a mistake and that I should see the stationery storekeeper downtown. I said, “No, your chief purchasing agent, Mr. Emery, has told me that the kind of pencils he buys is a matter of personal concern to you, and so I am calling to ask if you would raise any objection if he bought Dixon’s.” With that I began to bring sharpened pencils out of my pockets, writing pencils and several kinds and thicknesses of colored pencils. He was as interested as a child in them. Why shouldn’t he have been? He had been an office man and desk worker all his life, and pencils had been his working tools all the way from school to his present administrative post of authority.

I am sure there were more varieties of pencils than had ever been on that imposing desk at one time. Maybe they carried his mind back to his early days in some little country school when pencils weren’t so plentiful and to the pleasurable feeling that came with a shiny new pencil or a new book. Whatever a man may be selling, it is well to appeal to as many of the five senses as possible and to both pleasant memories and pleasant anticipations.

In this case the prospect was well mollified and came up with the right answer, “Why, sure, we could use these pencils. Your company certainly ought to be able to make pencils as good as anyone.” I said, “Well, I didn’t think that you would have any objection to

say the least, but the purchasing agent seemed to have some contrary notion that I thought was groundless." He knew I was calling a bluff, but he was still attentive.

"Now, Mr. Burbank, how shall I proceed? May I go back to Mr. Emery and tell him that you have no particular preference for the pencils he is now buying and no particular interest in their source of supply?" "Sure, do your business with him." I asked further, "May I tell him that you directed me to see him, and that it will be perfectly satisfactory to you for him to deal with Dixon and buy our products if he so chooses?" "Yes, indeed, you may tell him that." Then he asked me if he might keep the pencils, which had been strewn about his desk as he had tried them one after another. I said they were merely a few samples and that he would enjoy using them. He agreed that he would. I left my business card along with the samples and both of us seemed happy as we parted. I know I was.

The treasurer would be over a hundred years old had he lived till now, so I suppose he has gone to the other world, but I remember him gratefully. I took him a bit by surprise but he reacted favorably. I had attempted nothing but to clear away a misconception. I never knew whether it had been a "stall" on the part of the P. A. or whether some incident had really made the P. A. believe that the treasurer had an interest. If it was a bluff, it was called. People often resist change when they are comfortable. It is often a trouble to change standards within a large organization, and buyers will sometimes say things just so they won't be bothered.

Salesmen, too, sometimes go further than they should, but that's another story. I had no desire nor intention of going over the buyer's head. However, the buyer had indicated higher authority in the matter, and I did not presume to do more than settle the question raised. I was not after just one order, and would have to live agreeably with the purchasing department if I were to continue our business relationship.

When I went to the purchasing office in the other city, the approach was not so easy. This time the alert receptionist asked for my card when I asked to see the purchasing agent. She called an office boy, gave him the card, and told him to take it in to Mr. Emery. I told the office boy to tell Mr. Emery that Mr. Burbank, the treasurer, had directed me to see him. The boy shortly returned

with the card and said that Mr. Emery said I should see Mr. Crocker, the same assistant our salesman had been calling on. We were right back where we started! I asked the boy if he had told Mr. Emery that I had been directed by the treasurer at City to see him. He said that he hadn't, so I asked him to take the card back and tell him just that. When the boy came back the second time, he said that Mr. Emery would see me.

Mr. Emery was cool when I entered. I told him that we had been soliciting his pencil business for some time but had been told they could do nothing about it because the choice was in the hands of the treasurer. Then I told him of my pleasant call on the treasurer. We both kept a straight face. He gradually mellowed and we had a pleasant, unhurried conversation. I told him that I thought we were equipped to serve such an important corporation as his and he agreed that we should be. When I asked him if we could do business if we met their requirements in detail, he indicated that we might. Then I inquired if he or his assistant, Mr. Crocker, would handle the purchase. He told me to have our salesman see Mr. Crocker again. I asked if he would tell Mr. Crocker that he might deal with us if our merchandise and prices were satisfactory. Mr. Emery said he would, and he did.

We got better acquainted as time went on, and our business arrangement has continued for 25 years.

As I look back on this sales experience, I feel that I should point out some principles of selling that it brings out.

First, I thought over the situation, step by step. My mind had soaked up the interview before it took place. I had imagined certain developments and had thought how to meet them. I wrote nothing down, but I was ready for action, come what might. I was as equipped for the occasion as the eyes of a fly are equipped for instant responsiveness; but because I had the case worked out in my mind, I was not apprehensive. I had never been worried. All the possibilities seemed to have presented themselves and then I had some luck. Luck never seems to desert me when I am really prepared to do without it.

Selling is one of the subtle arts, which throws mind against mind, tongue against tongue, firmness against firmness. Salesmen are in conference all day long, and as Bacon has said, "Conference maketh a ready man." The ebb and flow of conference is a joy to me. It

always is to a salesman. He has much to accomplish with spoken words; and great things, as well as small, turn on these spoken words. As I reflect upon a life of selling contracts, the experiences that leap out are those made memorable by something said, something said to me or something I replied. Such experiences are educative, disciplinary, and wholesome. They make the literature of selling delightful to consult. Written experiences are better than tales of hearsay.

No man has had all the experiences, all the thoughts, or said all the best things. All these factors are found in the literature of one's profession, calling, or business. It deepens power to know these matters as they are told in the simple language of the selling fraternity.



J. M. HICKERSON

the President of Albert Frank-Guenther Law, Inc., New York, was the eldest of eight children and born on a farm in northern Missouri October 19, 1897. When he had been graduated from a single-room country school and was ready for high school, his family moved across the border near Mt. Ayr, Iowa, and later he attended the University of Iowa. His term at the university was interrupted by World War I, but it was enriched by extracurricular work as a student waiter, part-time teacher, college editor, and ad solicitor. Indeed, a life in advertising and selling seemed inevitable.

He started his business career with General Electric Company's lamp department when GE's job was selling a philosophy rather than a product, that is lighting rather than lamp bulbs. Four years later he was transferred to Meriden, Connecticut, to become Advertising and Sales Promotion Manager of a newly formed organization, The Miller Company, whose job it was to sell some philosophy and a lot of product such as lighting fixtures and portable lamps in a fiercely competitive market. For Miller he worked with department stores, distributors, and electric utility companies in each of the 48 states, doing sales planning, merchandising, platform work, and much actual door-to-door selling.

In 1929 he joined A. D. Lasker's Lord & Thomas advertising agency for whom he doubled in brass, serving as account executive and copywriter on a group of six accounts. In 1939 he left Lord & Thomas to establish J. M. Hickerson Inc., a general advertising agency, which enjoyed steady growth and became a national agency.

In 1950 he consolidated his organization with Albert Frank-Guenther Law, Inc., which is one of the oldest and best known advertising agencies and handles both financial and general accounts.

9. "We Will Rise to the Occasion"

THE SECOND WEEK of March 1945 began about like any other week of the winter that had just ended. The war was almost finished in Europe, but the newspaper headlines were as grim as ever. Correspondents talked of two years more in the Pacific. Some insisted five—if we were lucky.

Our business was difficult. Indeed, it had always been difficult, for J. M. Hickerson, Inc., had been only six months old when the war began. None of our accounts were spending "tax money" for advertising. Only one of them could handle the orders he was getting. These orders came without effort and certainly without much advertising.

Like most advertising agencies we needed a new account, a good new account, one that believed in advertising and whose very life required advertising. But accounts were not moving, not because they were all particularly happy with their agencies but because they were frozen by wartime restrictions and postwar uncertainties. Most advertising accounts seemed untouchable for the duration at least. Yes, our near-term future was far from bright.

Just what I did prior to 11:30 on the Monday morning in question, I do not remember in detail, but it surely had to do with the pressing question that demanded an answer: "Where can we get a good, new account?" What I did during the 96 hours following, I remember as clearly as though it had happened last week.

During those 96 hours I made a sale that influenced our agency's development profoundly and that changed our attitude toward advertising completely. This sale gave us the opportunity and provided us with the know-how to produce advertising that has sold enough merchandise to pay back its cost. Not just high readership of the ads, but checkable sales at a profit. Yes, *sales at a profit!*

At 11:30 on that Monday morning my telephone rang. "Mr. Hickerson, please," said a deliberate voice. "Speaking," was my reply. "Are you Mr. Hickerson himself?" came back. "Do you answer your own telephone?" Assured that I was and that I did, the caller continued.

"My name is Minrath. I am with the D. Van Nostrand Company. Do you know who we are?"

"Indeed I do," I agreed. "You are book publishers, are you not?"

Mr. Minrath continued, "That is correct and we are thinking of changing advertising agencies. Would you be interested in talking with us and, if you would, what is your policy regarding new business?"

"That's an easy question, Mr. Minrath. We will accept any account entrusted to us, *provided* (a) we believe in the product and its management and can do a good job for it, and (b) we believe we can handle the account profitably."

"That sounds like a . . ., would you mind repeating what you just said?"

After I had repeated my answer to his question as clearly as I could, the comment was a thoughtful, "Well!" And then silence.

Mr. Minrath pondered my statement for what seemed a minute before he relieved my anxiety by saying, "That is a most sensible new-business policy for an agency. Now I will be equally frank and straight-forward with you. I told you that we are *thinking* of changing agencies. The fact of the matter is, and for a reason you will respect and appreciate, that we are changing just as quickly as we can. Would you like to come down and talk with us and how soon can you get here? Our offices are on Fourth Avenue near 20th Street."

"Indeed I would," was my eager reply, "and I should be able to make it in about 11 minutes."

"That's a little too fast," my new prospect opined. "It's nearly noon now, and I'm tied up for lunch. But could you be here at 1:30?"

At 1:30 began one of the most stimulating and revealing conferences in which I have ever participated. I found Mr. Minrath to be a man of great patience and gifted in that rare art of explaining a situation and proposing a procedure.

He described the vast Van Nostrand book business in a general way and then explained his own specialty in fascinating detail. His special responsibility was mail-order books, those volumes possessing certain qualities that make them salable directly to the public. From publisher to book buyer, the only salesman is advertising. This advertising must produce sales in a volume sufficient to pay back its cost plus a reasonable profit.

Mr. Minrath showed me file after file of his consumer advertising and the sales records of each advertisement. The more he presented and explained, the more intrigued I became. Here is the answer to an agency man's prayer, I thought. Here is the opportunity of a lifetime for an ad man courageous and resourceful enough to accept it. For here is a business whose advertising really must do the job that all advertising is intended to do, a selling job. And here is a businessman who will evaluate an advertisement, not in terms of what he and his ad judges hope or feel about it, but in terms of the sales it produces.

Finally Mr. Minrath explained just why he needed a new agency so quickly and suggested that the new agency would be expected to go to work at once, creating ads that would sell merchandise. Then he proposed that we adjourn this first conference, that I consider what he had told me about his advertising requirements, and that I come down again the next day about 11 o'clock.

For perhaps three hours that night I reviewed back issues of magazines and newspapers. I sought out and clipped book ads and other direct-selling ads that offered at least two dozen different kinds of merchandise. Then I studied them. I had had no experience of any kind in that realistic field and neither had any of my associates.

"What's so difficult about doing an ad that will sell enough merchandise to justify its cost?" I kept asking myself. This question has perplexed sales and advertising management for many years. Finally I concluded that such a job would be relatively easy, if the ad writer would stop trying to win orchids from his top management and could tell prospects in easy-to-understand language what the product would do for them. Over the years ahead I was to be grateful many times for the soundness of that conclusion.

On Tuesday I was at the offices of D. Van Nostrand Company

a little in advance of "about 11 o'clock." Mr. Minrath received me at once.

Again this forthright man impressed me with his technique in interviewing a prospective agency and with his evaluation of advertising. He made reference to my "restraint" throughout our get-acquainted session. "You refrained yesterday from asking the size of our budget, and I'll tell you now that we do not have a budget for advertising in the usual sense of the word. We spend as much as we can spend profitably. And the more our agency can spend profitably, the better we like it. But be certain to get this straight! Our measure of the value of an advertisement is not readership, but sales. The treasurer of our company counts the sales each ad produces. It's just that simple.

"What I have said does not mean a beheading if an occasional ad fails to repay its cost and show a profit. Even so, there is one speech you must never make. You must never say, 'Yes, we know the ad didn't pay out, but think of all the good will you get!' [Who hasn't heard that eloquent defense of under-performance?] We are not in a position to capitalize on good will. Our advertising sells, or else. Or else we go out of business and our agency loses an account."

"That's about all I wanted to tell you this morning, how we prepare our ad budget and how we measure ad effectiveness. Advertisers in other fields do it differently, I believe, but I felt you ought to understand and appreciate exactly how we do it. That's why I held these two subjects over from yesterday. Almost a lecture, isn't it?

"Think the whole thing over, discuss it with your associates if you wish. Search your mind and your conscience. Then let's talk again tomorrow and try to decide something. Can you come in again at 11:30?"

That night I weighed and measured our agency's qualifications more critically than I ever had before. We could create and produce good-to-excellent orthodox ads; but could we create ads that would sell enough by the clients' actual count to repay their cost? Here's how I answered that question and how I sold myself.

I had learned of the availability of an experienced writer of Mr. Minrath's brand of sales-making advertising. We would engage him to head up the D. Van Nostrand account and would assign to

him as many of our staff as he could use. Our people were adaptable enough to learn quickly how to write direct-selling copy, and besides the training would help them write more effective copy for our clients who sold through retail stores and to industry.

Already I was looking ahead. For years I had thought somewhat along these lines, but this unfolding situation had rekindled my interest and desires. Now I could foresee an exclusive sales point for our agency, something so few have. It would be an agency able to write copy, if need be, sufficiently convincing to do the entire sales job without assistance from salesmen or store displays.

First we had to sell Minrath and D. Van Nostrand. Realist though he was, I had grave doubts that Mr. Minrath would accept the only account man I could offer him. After all, I knew something of the reactions of orthodox advertisers, their allegiance to the traditional and their almost childish fear of the unusual and the new, no matter how promising.

My prospect opened Session No. 3 on Wednesday with another straight-forward question. Incidentally, it was one of the very few questions he ever asked about details of our agency and how we functioned. "If we select J. M. Hickerson, Inc., and we may, who would you put on our account?"

Here it was, the opening question, the No. 1 question I had dreaded.

"That's my problem, Mr. Minrath," I answered sincerely.

"Yes, but it's my problem, too. Remember any copy you write for us must be interesting enough to get a reading and then persuasive enough to *sell merchandise* without benefit of stores or salesmen of any kind. Don't ever get away from that."

At this point I told him the strangest story I've ever told a prospective client. And every word of it was true! I told of a man who wished to join us, a man then employed as associate editor of a specialty magazine but who after hours was writing mail-order copy for the well-known and successful XYZ Company.

When I finished my nominating speech, Mr. Minrath opened a desk drawer, removed a scrap book, and showed me a dozen or more XYZ ads. He explained that all mail-order advertisers kept proofs of contemporary ads of unusual interest. Then he asked, "You mean your man is doing these ads?"

I couldn't tell from his manner of speaking whether he approved

of the ads or not, but I answered, "So he tells me and I believe him."

Mr. Minrath examined the ads again. He read parts of some of them aloud. Then he looked at me. And I looked at him, eagerly and intently and hopefully.

To my relief, he said, "These are very good selling ads. Why don't you have lunch with your friend—you'll know what to talk about—and then come back here again tomorrow. Get in as early as you can, for we must decide something if we can."

That night it was my prospect's turn to sleep and dream of doubts and fears as I had done earlier in the week. For he began our session Thursday morning by admitting his indecision.

"We require three kinds of thinking and working from our agency. We require trade ads, which you folks could do in a fine way. We require institutional copy, which your people could do successfully. Then, we require mail-order advertisements, which must do the selling job I have explained to you. And, frankly, most advertising agencies in our experience are unable to write copy that can actually make sales. Also, and just as frankly, although I believe your people can, I hardly dare take a chance. What do you think?"

"Mr. Minrath, you are in a hurry. You think we can do the job you want done, but you are not quite positive. How is this proposal? You know your business so well that you can guide and protect us and help us protect you. I promise you our best, which I believe will be good enough. And I know it will be more than sufficient to help you out of your present jam. We have no contract with any client and would want none with you. The advertising we would prepare for you will sell your merchandise or it won't. It's just that simple. By naming us you can't lose much and you can win tremendously. Why don't we try it for 90 days and see how we get along? The XYZ man will join us, and I am confident we will rise to the occasion as we always do."

Mr. Minrath looked at me. He gazed at me and his gaze became a mild stare. Finally he said, "Would you do that? Is your agency willing to have its advertising copy make good in terms of sales on a tough assignment like ours?"

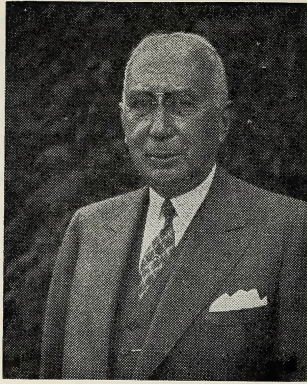
Now it was my turn to look, to gaze, to stare. Finally, I said, "We are. And we are ready to begin work now."

Mr. Minrath's response was immediate. "I'll call you tomorrow.

Maybe I'll be able to say, 'Yes' to your unusual but sensible proposal to make good on a 90-day test, but first I want to double check with Mr. Crane, our president, and Mr. Johnson, our executive vice-president."

Next morning found me within reaching distance of my telephone. About mid-forenoon came the promised call, which was, "We accept your proposal and will do our part to make it work out for everybody concerned."

Try as I will, I can't recall how I replied to this man whom fate had directed to us and whom faith had helped me sell. This I do recall, however. Within the hour our agency had organized a Van Nostrand "group" headed by the XYZ man and had begun the 90-day period, which is still going strong. There has been no need for further discussion between D. Van Nostrand Company and our agency about our being *named* their advertising agency. However, the coupon counters have been busy much of the time. Because the ads we have prepared for D. Van Nostrand, and for other clients secured as a result of our D. Van Nostrand success, have sold many millions of dollars' worth of merchandise at a profit to the advertisers.



MORTIMER BERKOWITZ

the Vice-President of the Hearst Publishing Company and General Manager of "The American Weekly" and "The Comic Weekly" in New York started a number of years back selling newspapers after school in Union Square. At the advanced age of twelve and a half, following graduation from grammar school, he succeeded in getting a job as office boy with the Associated Press. Later he learned to write shorthand and became secretary to John H. Fahey, the New England manager.

In succeeding years he worked as a reporter and rewrite man on newspapers in various parts of the country. In 1914 he landed his first job in the business office, selling advertising for the "Boston Evening American." Then he went to Chicago in the office that represented in the Middle West the Hearst eastern evening newspapers. Later, after service on publications in New York and other cities, he returned to Boston as general manager of the "Boston Daily and Sunday Advertiser."

In 1926, Mr. Berkowitz moved to New York, and early in 1927 was appointed general manager of "The American Weekly." In January 1931 he started the building of a sales organization for the sale of general merchandise advertising in what was known at that time as the comic section of the Hearst Sunday newspapers. This later became "The Comic Weekly - Puck," and in the nearly 20 years that have elapsed more than 60 million dollars' worth of general merchandise advertising has been carried in that publication and probably over 250 million dollars in the comic sections of Sunday newspapers throughout the country. Today "The American Weekly" and "The Comic Weekly" are the leaders in their fields. They operate big sales organizations, and have achieved advertising and circulation figures that run into the millions.

10. A Sale That Changed a Career

IT'S AN OLD SAYING that the best sales job is one that actually does not involve any selling at all. It simply makes what we have to offer so attractive and so unusual that the other fellow voluntarily wants to buy. We appeal to his imagination.

The salesman who bursts into the prospect's office and loudly asserts that he wants to sell some life insurance rarely walks out with an order. On the other hand, the insurance salesman who quietly walks in and asks the prospect what would happen to his wife and children if the prospect should drop dead within twenty-four hours causes that individual to immediately check up on his insurance policies and the call is likely to result in an order for at least an additional \$10,000 policy.

In the publishing business the best salesmen really are the reporters in the editorial department who have nothing at all to sell. However, the reporter must secure from the people he contacts the priceless information that he desires to secure and that these persons possess. That job may seem to be very simple to the casual observer, but it often means long hours and extraordinary persistence in order to accomplish the objective. A good reporter stays on the job until the job is finished, or until he gets the order, even though he may work all through the night and on Saturdays and Sundays.

Like the buyer who hesitates to pass over the order to the salesman, most people are hesitant when a reporter approaches them for facts. A good reporter, like a good salesman, does not give up easily and his "stick-to-itiveness" plus his ingenuity are what make for success.

Having put in several years in my younger days before and after school selling newspapers on the street I learned that the boy who

simply yells: "Mister, buy a newspaper," does not sell many. On the other hand, the boy who yells and continues to yell: "Full account of the big fire on 14th Street," or "Society woman jumps out of hotel window," or "President signs new tax bill" arouses the curiosity of a lot of people and makes them want to buy a paper.

That procedure is typical of what happened to me back in 1911 when the Associated Advertising Clubs of the World held its annual convention in Boston. I was a reporter on the *Boston Herald* and was assigned by the city editor as one of several young men to cover the convention. The first job was to secure a story concerning the arrival of the visiting delegates. This assignment necessitated being on the job early, a step that can be compared to the salesman who goes out to make a call and is ahead of time or on time instead of being half an hour late. I was on the job especially early on that particular Monday morning, the opening day of the convention. While I was on my way down Summer Street in Boston to the South Station where the delegates would be arriving on night trains from nearby and distant cities, I heard my name being called. As I looked around I recognized George W. Coleman, the President of the Boston Advertising Club, or "The Pilgrim Publicity Association," as I think it was then called. He was one of two passengers in an open automobile. The car stopped and I was invited to ride. Mr. Coleman introduced me to Samuel C. Dobbs, the president of the Associated Advertising Clubs of the World who had just arrived from Atlanta, Georgia. What an opportunity this offered for a young man to secure some authentic inside information about the convention that would give my paper the scoop of the week. A scoop in the publishing business is like a big order in the commercial world.

It was quickly apparent that there was only one way to accomplish the objective, and that was to secure the confidence of Mr. Dobbs in the very few minutes before the automobile would pull up in front of his hotel. The fact that I was introduced by George Coleman provided the necessary endorsement, and I adroitly attempted to obtain the information that I desired. It really makes little difference whether it is the swimmer in the race, the ball player on the diamond, the hunter in the woods, the doctor on the critical case, the engineer of the train with a car about to cross the tracks, the pilot on the airplane, or the salesman in the prospect's

office. At the psychological moment, a situation requires sound and fast thinking and, most important, the drawing upon years of experience as to what to do and how to do it. Here were two men, one a stranger and the other a friend of years' standing. Just a few years of experience automatically pointed the way to accomplishing the objective. First I had to secure the confidence of Mr. Dobbs and make him feel that he was doing something worth while. The fact that I was introduced by George Coleman paved the way for the bigger job. I quickly explained to Mr. Dobbs that the convention would soon be in session and that it might serve a very good purpose to announce unofficially, through a very fine afternoon and morning newspaper, what was in the thinking of the heads of the great advertising clubs concerning a successor to the man who headed up the organization. Mr. Dobbs reacted in the same way as a buyer who, after talking to the manufacturer's representative, sees an opportunity to accomplish an important objective if he can secure the merchandise that is being offered. That technique is sometimes known as the "vanity appeal." The individual who is doing the buying feels he is buying and is not being sold.

By the time the car arrived at the hotel Mr. Dobbs told me that George W. Coleman would be elected the next president of the Associated Advertising Clubs of the World. That was the big news of the convention, which I had sought to obtain. I was not permitted to quote Mr. Dobbs, but the information was mine to use in exactly the same way as the order for the 28-line advertisement or the color page is to the salesman who secures it. It was only a matter of minutes before I was on the way back to the office of my paper where "the order" which I secured or "the scoop," in newspaper parlance, enabled me to write the story for the evening edition. This story was to become the outstanding event of the convention. Like the big order, which the salesman obtains and which upsets the equilibrium of the members of the organization until they realize it is a reality, my story caused quite a stir. The story was repeated in the morning edition the next day, and in the morning editions of the other Boston papers the authenticity of the story was denied. The other papers insisted that Mr. Coleman was not scheduled to be elected president.

In this particular case, it was the publisher of my paper who was most disturbed. He had not been on the job very long, and he was

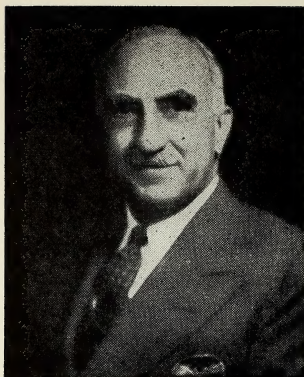
trying to build a reputation for his two properties that would make them profitable and would give him a worth-while standing as a reliable and successful newspaper man. Before I reported for work the next morning he had instructed the city editor to discharge the reporter who wrote the story if the facts could not be substantiated. The city editor was very fair. He knew that there would be no chance to substantiate the facts until the election took place on Thursday, and he prevailed upon the publisher to agree to wait. Thursday afternoon the delegates gathered in Ford Hall in Boston and George W. Coleman was elected president of the Associated Advertising Clubs of the World.

As a result of that very unusual "sale," the publisher, whose name was John Wells Farley, requested the services of the same young man on a number of subsequent occasions in following months to do special jobs in which he was particularly interested. Now comes the part of my story that entitles this "best sales job" or "scoop" to be given recognition as my outstanding job. Less than a year afterward Mr. Farley sent for me and after a few preliminaries said: "Why continue to work in the news department? Why not come down into the business office and get near the cash drawer?"

What an opportunity that provided for a young man!

Subsequent events over a period of 35 years have proven to me that the job that I did in that automobile in about 20 minutes was the best sales job I ever executed, and the experience has proven to be exceedingly profitable over a long period of years. It necessitated wrapping up in a very few minutes all the things that had been learned over a long period of years and putting them to work to achieve the net result, "the order."





JOHN ORR YOUNG

of John Orr Young and Associates, Inc., New York, is a consultant on public relations and a retired cofounder of Young & Rubicam, Advertising.

At Lake Forest College in Illinois he developed his latent taste for advertising as business manager of the college paper. He found that the best way to sell advertising was to write the ads for the paper's customers.

Newspaper work followed in Chicago, Des Moines, and Salt Lake City. In Salt Lake he again became interested in advertising and took the job of copy chief of an advertising agency. Later in Chicago he wrote Sunkist and Palmolive copy at Lord & Thomas, and then, after some valuable experience at Procter & Gamble as Advertising Manager of the Crisco Division, he helped form the Young & Henri agency, now Henri, Hurst & McDonald.

Still later in Philadelphia, he was an account executive for the F. Wallis Armstrong agency and for N. W. Ayer & Son. At Ayer he met a young copywriter, Raymond Rubicam, and on a park bench, they formed Young & Rubicam without a client or a promise of one. In record-breaking time, the agency became the second largest in the world.

Since Mr. Young's retirement from Young & Rubicam, he has been active in public relations work; during World War II with the War Production Board, and later as counsel to the National Association of Manufacturers and a varied list of public relations clients.

Mr. Young is the author of the book, "Adventures in Advertising."

II. Parke, Davis & Co. "Buys" Its Advertising Agency Service

Letting the Prospect Buy, Effective Salesmanship

WHEN I WAS a 14-year-old delivery boy-janitor-whiskey blender (bad whiskey blended with worse) in Myers' Drugstore in the town of Leon, in the dry state of Iowa, I fell in love with a name!

It wasn't love at first sight. It came on gradually.

Respect probably would be a better word for the high regard I developed for the compounds, essences, concentrates, elixirs, pellets, pills, and capsules that came in the bottles and boxes bearing the label of Parke, Davis & Co., of Detroit. I carry a vivid mental picture of the rows of Parke Davis products, which Mr. Myers carefully poured and mixed in the compounding of prescriptions for Doc Bowman's patients.

Later, when working my way through high school in the pharmacy of Will Sargent, "The True Druggist," of Ottumwa, Iowa, I was greeted by the familiar Parke Davis labels on the rows of shining brown bottles behind my new boss's prescription case. Their presence seemed to give me an additional confidence in the store's integrity and confirmed what Sargent had told me of the pride he took in his merchandise and his standing with local physicians.

Still later in Carl Krafft's Drugstore in Lake Forest, Illinois, as sweeper, window washer, and purveyor to the college trade of the richest ice cream sodas and the "gooeyist" sundaes, I renewed my acquaintance with and developed further respect for the Parke Davis name. I figured that Mr. Parke and Mr. Davis must be very fine men, or the doctors who sent patients to us with prescriptions specifying P.D. ingredients would not have been so particular about the brand of medicine they wanted their patients to gargle, swallow, rub on, or inhale.

Occasionally the boss permitted me to help him fill some simple prescription and I recall that when I poured from the Parke Davis bottles into the store's own, I added an extra ingredient, a childish faith that these medicaments with their impressive spellings and smellings possessed great therapeutic and prophylactic qualities. In spite of a later revision of my ideas on the general subject of medication, certainly during my drug clerkship and "soda jerkship" I had acquired more faith in this one manufacturer's pharmaceuticals than in any other make. I said to myself, "There is a firm I would like to work for sometime."

Somehow I got into advertising instead of pharmacy and it was not until a good many years later that I attempted to combine the two. When Young & Rubicam decided to broaden its clientele beyond the food field, where it had built such a solid reputation that we were in danger of being typed as a "food agency" and nothing else, I enthusiastically put Parke Davis at the top of a carefully selected list of prospective clients. In addition to my sentimental interest, I had another reason for wanting the Parke Davis advertising account. Here would be a novel sort of client. Imagine a manufacturer who did not seek to convince the readers of the *Saturday Evening Post* that his salves, tinctures, and compounds were superior. In fact, he did not choose even to mention his products in his national magazine advertising. The words he addressed to his readers had to do *not* with the building up of a reputation of Parke Davis products, at least not directly, but that of the physicians of the United States. Parke Davis' advertising was created to stimulate the public's appreciation of the American doctor. Parke Davis told the story of *materia medica*, old Doctor Mainstreet, and young Doctor Parkavenue, their usefulness and problems, so that more people might gain or regain confidence in the American M.D.

Parke Davis' chief competitors, E. R. Squibb & Son, Eli Lilly Company, The Upjohn Company, H. K. Mulford Company, Sharp & Dohme (who absorbed Mulford), and the Abbott Laboratories were all classified as "ethical houses." In other words, their professional standing did not then permit them to advertise to the consumer but only to doctors and pharmacists.

Then Squibb decided to tell its story to the consumer and face the

criticism they knew they would receive from their competitors in the ethical field.

Frank Zink, salesman or "account executive" or "contact man" of N. W. Ayer & Son, advertising agency, had been successful in selling Squibb on taking the hurdle to consumer advertising, and Raymond Rubicam, then a copywriter at the Ayer agency, and later my fellow-founder of Young & Rubicam, was chosen to write the early consumer magazine ads for Squibb, including "The Priceless Ingredient" slogan. Between Rubicam and Theodore Weicker, a top Squibb executive who was no mean writer himself, a brilliant series of magazine advertisements eventually appeared.

About this time, as I recall, Parke Davis was encouraged to put its name into national consumer print, not, however, in connection with toothpaste and sodium bicarbonate like Squibb, but merely as Parke, Davis & Co., friend of the American doctor.

The Parke Davis type of advertising was responsible for whetting my appetite for more public relations work and had much to do with heading me towards a specialized practice in public relations.

How was this conservative manufacturer sold? How was the Parke Davis advertising account landed? I should characterize it as strictly a low-pressure selling job. I was careful in my approach. I did not strain my adjectives, and I did not make the Parke Davis executives feel that I was trying too hard to "sell" them. I started to work on the Advertising Manager, Mr. Ralph Sickels. We hit it off so well that after a few friendly visits he asked me if I would care to meet Dr. Lescohier, his boss, who was becoming more and more interested in the subject of advertising and had participated in the selection of the agency the company was then using. I was, of course, delighted to have this offer of an introduction. The point is, I did not *ask* to meet his boss nor intimate that I had any thought of going over his head. He was the individual in the company whose responsibilities were clearly defined by his title, advertising manager, and therefore he was the man I felt I should contact.

Had I gone directly to Dr. Lescohier, had I exhibited a patronizing manner to the advertising manager, or had I posed as one who thought he knew everything there was to know about his business and about advertising, I might not have received the cooperation, which Mr. Sickels so forthrightly volunteered.

Here are some of the details of this sale from my book, *Adventures in Advertising*.¹

Dr. Lescohier, soft spoken and poker-faced, then vice-president and now chief executive of that great company . . . listened courteously but gave no encouraging words or smiles. I thought, however, that occasionally I detected the faintest sort of gleam in his eye as I talked. I told him that *if* he should ever have occasion to make a change, *if* he were not happy over every advertisement now being produced for his company, *then* I should like him to give Young & Rubicam a trial. I featured the fact that my partner had written E. R. Squibb & Sons copy and the Squibb slogan, "The Priceless Ingredient of Every Product is the Honor and Integrity of Him Who Makes It." I recounted my personal experiences with Parke Davis products; . . . how a few years ago I had acquired and managed the Rexall-United Drug and the H. K. Mulford accounts, thereby acquiring more pharmaceutical advertising experience.

It all sounded interesting to me, although the good doctor gave no sign of being thrilled. Anyway, following each call, advertising manager Sickels said to come again, and so I did.

I had been sentenced by my doctor to a month's recuperation on a ranch in Idaho, and I bought my ticket via Detroit so that I might look in at both Packard and Parke Davis. This time I said to Dr. Lescohier, "Doctor, I have told you everything there is to tell about the ability of Young & Rubicam to provide you with the kind of advertising I believe you desire and I know you need. I have been told—*not* by Mr. Sickels—that you may make a change in advertising agents. If this is true, I feel that it would be very unfortunate if you did not give your account to our agency, for the reasons I have stated. May I make this final suggestion: Today is Monday. Between now and next Thursday I wish you would review the data I have given you on our agency. I mention Thursday because on that day I shall stop off in Salt Lake City on my way to a ranch in Idaho where I am to do some recuperating.

"I shall go straight to the mail desk of the Hotel Utah and ask whether there is a letter or a wire awaiting me from you, Dr. Lescohier! If you should care to send me singing into the Idaho wilderness, just say by letter or telegram that you are going to retain Young & Rubicam."

He gravely shook hands with me and wished me a good trip. I thought maybe I detected that same pinpoint glint of the eye, and I was somewhat hopeful. At least I felt I had done my best. Sickels' handshake seemed particularly hearty as he wished me improved health as a result of the Idaho trip.

When I arrived in Salt Lake, my old stamping grounds—or rather, my old crawling grounds, for it was there, following a former illness, that at age

¹ John Orr Young, *Adventures in Advertising*, pages 77-79. New York: Harper & Brothers, 1949.

twenty-three I had relearned to walk—I headed for the mail desk of the Hotel Utah. The clerk handed me a telegram which read: “Have decided to give Young & Rubicam our account. Start service when you return from Idaho. Hope you have a beneficial vacation. Parke, Davis & Company.”

Although the account is not one of the largest in annual expenditure, Parke Davis has been with Young & Rubicam ever since, and over the years has brought the agency a gross profit of perhaps a million dollars or more. This sale had germinated in the culture of youthful admiration for the company behind the brown bottles and was consummated by means of a low-pressure sales technique. The prospect was given the opportunity to *buy* instead of being made to feel that he was being aggressively sold. Giving him a chance to do a gracious and generous act by sending me that telegram was another psychological contribution to the success of this sale.

Although I realize that some buyers actually prefer to have the salesman *sell* them by mesmeric methods, others like to feel that they are perceptive enough to recognize values and are quite able to *select* what they feel has exceptional worth without being pressured into buying. That was the situation with Parke Davis. They were perceptive and I happened to sense that perception on their part.

Had I employed the stage version of hammer-and-tongs agency selling, this prospect probably would have backed away from me. Had I tried to do a complete and obvious sales job during those first interviews as I was tempted to do, I probably would not have been asked to call again.

At this point in my selling experience, because I had once failed to sell a good many of my prospects, I had learned the hard way to cut my selling cloth to the pattern of the buyer's personality instead of tearing into every solicitation with a standardized, cut-and-dried, high-powered selling technique. I had started to learn when to turn on the heat and when to use restraint.



DOUGLAS LEIGH

is President of Douglas Leigh Advertising Corporation, New York, N. Y. The press refers to him as the "Broadway Sign King" or the "Broadway Lamplighter" for a very good reason: He is responsible for 70 per cent of the "spectacular" signs in New York's Times Square.

Since he designed his first "spectacular" in 1933, Leigh has succeeded in introducing novel effects and a touch of elegance in his sign creations. Although they are huge, his signs are different; they entertain. Because they are alive with movement, they command the biggest audiences. Even without seeing the Douglas Leigh imprint, it's easy to tell which "spectaculars" are his. They're the signs that blow smoke rings (for Camels), pictorially predict the weather (to tie in with Coca-Cola's slogan "Thirst Knows No Season"), emit steam from a piping hot cup of Nescafe or shoot an Eveready Flashlight beam five miles into the air. One shows cartoon movies and plays to more people each night than attend all the movies and theaters in the Times Square area.

Leigh has also taken his spectacular salesmanship into the sky. His "flying spectaculars," those block-long dirigibles equipped with 12,000 light bulbs, which form trademarks or spell out sales messages, have promoted MGM movies, Ford automobiles, Mobilgas, Sylvania television, Wonder Bread, and the Flamingo brand of frozen concentrates which he himself is marketing.

12. Taking Broadway to the Rest of the Country

THIS IS a story that begins and ends in the Rainbow Room. Those of you who have ever visited New York's Radio City probably are familiar with this roof-top restaurant, situated 65 stories up, atop the R. C. A. Building. Through its wide vista windows one can see almost all New York. On a summer day in 1944 I was spending part of my Navy leave with an old friend, Fred Kerwer. Mr. Kerwer, in addition to being a good friend, is also vice-president and chief engineer of our advertising firm. He is the mechanical genius behind all our Broadway "spectacular" signs. At lunch this day we were discussing how the wartime blackouts and brownouts had dimmed all these spectaculars. If you've ever seen actors weep when their show folds, you know approximately how Fred and I felt about Broadway without its lights.

"What we need, Doug, is a portable spectacular," he told me, half sighing, half smiling, "one we can take inland during brownouts."

"As a matter of fact," I said, and I was serious, "it would be a good idea. I've often felt that Broadway was a little limited in that people have to come to New York to see the lights."

Incidentally, as far as we're concerned the only reason visitors come to New York is to see Times Square at night.

While Fred was pondering offhandedly the engineering problems inherent in moving tons of steel and wire and electric bulbs from the Broadway roof tops to safer areas, I sprang an idea I had been thinking about for several weeks.

"How about putting a spectacular sign on the side of a blimp?" I asked as casually as possible.

He was just as casual. "Well, why not a rocket," he replied. "That way you'd be able to reach the moon and cover the circulation there."

To put it mildly he wasn't sold on my pet idea. I explained to him that I had seen Navy blimps flying up and down the Atlantic Coast on patrol duty. They were big, beautiful things, somewhere between 200 and 300 feet long, with thousands of square feet surface just waiting to be converted into ad space.

"With each of these blimps," I said, "you could create a spectacular sign a block long. Letters 50 feet high."

He was getting ready to point out some of the difficulties of building a spectacular sign on the side of a blimp when I asked him:

"Fred, how many block-long specs are there on Broadway?"

He had to admit there weren't any.

"Well then, just imagine it," I continued, "a whole fleet of block-long super-spectaculars, flying over New York, the Atlantic Coast, the rest of the country. That would really be taking Broadway to the rest of the country."

I was digging in, getting set to defend my latest brain storm but Fred offered no resistance. As a matter of fact he seemed to be looking right past me. Turning around I saw what had captured his attention. Far down the East River and just a little below the Manhattan Bridge, was one of the Navy's K-type airships. We both just sat and watched it float up the East River, getting bigger and bigger, and in about ten minutes it was opposite our window. I've never seen anything that looked so big and inviting in my life. Fred, who had been silent for quite a while, finally asked:

"Doug, wouldn't that ship attract a little more attention if, on its sides, you could write 'Ford's Out Front'?"

Well, that did it. Not only was he sold on the idea, but he had suggested a very logical client.

I don't know what most servicemen did with their spare time, but I can tell you that from that luncheon on, I devoted every free minute to getting information about blimps. I was planning to put big, electric signs on the sides of a blimp and yet what did I know about them? I simply knew that they were big (I didn't even know the exact dimensions), that they were filled with helium, and that they flew slowly.

Because I was in the Navy stationed in Washington, it wasn't too difficult to run into men who were familiar with the Navy's Blimp Squadron. Within the bounds of security I gathered a good deal of material about the operation of an airship, discovering, to my sur-

prise and horror, that it takes about 35 men just to guide the larger airships on take-offs and landings. Thirty-five men for ground-handling duties, and our agency, which created and maintained most of the Broadway spectaculars, never exceeded fifteen! Then there were pilots, copilots, riggers, mechanics, and many other maintenance men necessary, a small navy in itself. The probable expense became a fearful calculation.

Most of the experts with whom I discussed my idea were sickeningly pessimistic. The consensus was that a peacetime blimp operation would prove far more costly than advertisers could afford. My idea was headed for that all too familiar "Good, but impossible" file, wherein are kept such possibilities as converting the tower of the Empire State Building into a huge, glowing cigarette advertisement. Then it was suggested that for the final word on the matter I should see the Navy's top man in dirigibles. This expert, I found, was Rear Admiral Charles E. Rosendahl, a blimp man all his life, who has been pointing out for thirty years the wartime and commercial possibilities of lighter-than-air craft to an almost deaf American public. It was he who had organized the country's airship patrol fleet and it was he who had directed the blimp convoy operations, which achieved an almost impossible record: not a single ship lost while under the protection of blimps and only one blimp and one Navy man's life lost during World War II.

I felt a bit strange going to such a man and suggesting that I'd like to put advertising signs on the sides of his beloved airships. It seemed a sacrilege and here it was coming from a Lieutenant J.G. to a two-star admiral. But, as usually happens when you approach a top man, he was very friendly, understanding, and quite encouraging. He was for any project that would keep airships afloat and what's more he didn't see why they couldn't be made to pay.

This ray of hope was all that sustained the blimp advertising idea for about a year. With the end of the war I, like everyone else, was busy with reconstruction. Broadway eventually came to life and when it was glowing safely, attention once more was focused on the blimps.

Some of the most experienced and successful businessmen in New York City advised me against going through with my blimp idea. And well they might. Starting a new business is never easy. I had only to think back to a bleak, dismal day in 1933, the very bottom

of the depression, when I went into business for myself. Yet I had managed some success against almost overwhelming odds. So, in spite of the warnings and dire prophecies, I sold myself on the idea of dirigible advertising.

Next I systematically "sold" everyone in our advertising organization on its possibilities. Then, I had to sell the Navy on the idea and finally sign up some advertisers.

Fortune smiled a little when I set about to tackle the Navy. In the postwar planning of the defense chiefs, the Navy's lighter-than-air program was being cut to just a few training groups at Lakehurst, New Jersey. Most of the airships were being placed on sale by the War Assets Administration at a fraction of their original cost. The only bidders were garment manufacturers who were thinking of cutting up the huge gasbags, which are a rubberized fabric, and making raincoats. Outbidding the field, I bought a total of 29 airships, all that were available. The Navy sighed with relief, happy with the knowledge that their airships would not be carved to pieces. What's more I promised the Navy that the airships always would be kept in good shape and in the event of a national emergency would be returned to them on 24 hours' notice.

The Navy appeared grateful for other reasons. Their lighter-than-air personnel, most of whom had spent five or six years in this specialized field, had little prospect of getting peacetime jobs in their trained field until our advertising scheme entered the postwar dirigible picture. They were most helpful in steering us to the proper men to operate and maintain the airships. And of course these men knew their jobs and required no training, an advantage a new business venture usually doesn't enjoy.

Admiral Rosendahl himself made any number of suggestions for operating efficiently and economically. His Chief of Staff, Captain Karl Lange, joined our advertising group as vice-president in charge of operations.

Because of the wonderful Navy cooperation, it was possible for us to lease hangar space at the naval air station in Lakehurst.

So many problems seemed to be settled, and yet, we didn't have a single customer; we didn't, in fact, know if we could put a sign on the side of an airship.

The technical part of our business has always been left to Fred Kerwer. He's the one who can figure out in neon and light bulbs if

a weather prediction idea can be worked out for a huge Coca-Cola spectacular or if a man can puff on a Camel all day and blow perfect smoke rings clear across Broadway.

A dirigible, we found out very quickly, is no roof top. The airship, with its limited lifting powers, places a premium on each pound. The spectacular, flashing banks of multi-colored lights, so familiar in almost every Broadway sign, weigh tons. And yet, if the spectacular signs on these airships couldn't outshine their earthly competitors, it would be next to impossible to sell them.

Fred tackled the weight problem and after a few months came up with the idea of using Christmas tree bulbs strung on the sides of the ships just as they're strung all over a tree. They'd be light and offer little wind resistance. The question was would they give enough light.

Around 4 A.M. one summer evening it must have been a strange sight to see a couple of men stretching a string of Christmas tree bulbs across several roof tops in Columbus Circle. The two men then drove on 59th Street clear over to the East River to see if the string of lights showed up against the dark of the night. It did. The visibility was tested from several points and it was in this way that Fred Kerwer and I (the two spooks that night) fell upon the simple phenomenon of light clusters. At certain viewing distances the lights seemed much brighter because a group of them, so it seemed, huddled together to form one bright light. Through further experimentation at Lakehurst Fred found that when an airship was flying at 1,000 feet a cluster of seven small bulbs, grouped within a one-foot diameter, appeared to a person on the ground as one bright lamp.

Armed with this principle, Fred attached 12,000 bulbs in various clusters to both sides of an airship by a new adhesive process which he patented. His finished product was the biggest and brightest "running sign" in the world. Whereas the running sign around the New York Times Building, for example, flashes the news in letters six feet high and is readable for perhaps ten blocks, the airship's running sign featured letters 27 feet high and is readable more than three miles away.

So at last, after two years of planning and research, we had a product to sell.

Every large advertiser was approached and offered this spec-

tacular new medium. The one taking it first stood to cash in on a tremendous amount of newspaper and magazine publicity not to mention the terrific sales impact on the millions of people who would look up and for the first time in their lives see tremendous advertising spectacles floating through the sky.

We prepared art layouts, sales brochures, and all the other ammunition necessary for a "spectacular" sale. In our business each sales effort involves a tailor-made presentation.

We found that we could reproduce trade names and symbols, even animate them. We offered to bring to life Mobilgas' famous Flying Red Horse trademark. We thought it would be sensational to see a horse flying through the sky. Tydol gasoline uses a huge Flying A as its trademark. Not only would we create a letter A sixty feet high, but could put wings on it that would flap up and down in flight. Fred's original idea, of seeing "Ford's Out Front" flashing off and on in the sky, sent us out to Detroit many, many times.

Despite all our grand ideas and the tremendous interest we worked up, nothing happened.

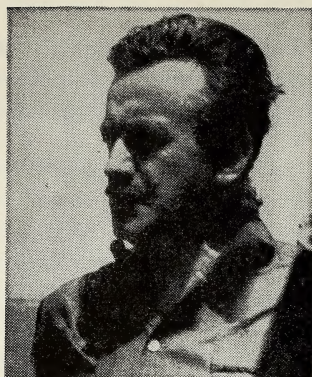
We tried MGM, always receptive to something new and spectacular. And hundreds of other possibilities. Still no sale.

There comes a low period in your sales life when absolutely nothing goes right. Everyone seems eager to buy, (as most advertisers were in this early postwar period) but not from you. We reached that low period in our dirigible advertising sales efforts. We were beginning to wonder if the whole thing were sound. Maybe it was too spectacular. Maybe it wasn't spectacular enough. Maybe . . .

Just then somebody said yes. A few days later we heard that unfamiliar word again. After another week, a third sale. MGM, Ford, and Tydol, after careful consideration, had all agreed to try the medium. Within the next few months Mobilgas, Wonder Bread, Sylvania Television, and many other prominent advertisers were promoting their products on the sides of our airships.

The final scene takes us back to the Rainbow Room for the première of the Ford airship. Gathered there were executives of the Ford Motor Company, account men from the J. Walter Thompson Advertising Agency, the press, and numerous other friends. Dinner had just finished when out over the East River we saw

"Ford's Out Front" flashing off and on in letters 46 feet high. I looked around and saw all the smiles of approval in the room, and I knew that the airship, as an advertising vehicle, had at last sold itself.



LOUIS BIRO

the President of Flash-O-Graph Corporation, New York, was born in Budapest, Hungary in 1901 and educated in the schools of Budapest and at the Royal Academy of Art in Budapest.

He came to the United States in 1924 and was naturalized a citizen in 1929. He was Art Director of the printing department of Barron G. Colliers Inc. from 1932 to 1937 and from 1937 to 1942 Art Director and Advertising Manager of the Journal of Living Publishing Company and the Serutan Company. In 1942 Mr. Biro left the Serutan Company and organized the Biro Wehde Associates, Inc., creators and producers of point of purchase advertising and merchandising programs. In 1947 Mr. Biro organized the Flash-O-Graph Corporation as a Biro Wehde subsidiary; and in April 1949 he left Biro Wehde Associates to take control of Flash-O-Graph, which separated from Biro Wehde to become a completely independent organization.

13. Carry an "Extra" Salesman Whenever You Can

ON A BRISK autumn day in 1947, I was on my way to Whitehall Street to sell my baby to the U.S. Army. I should explain at once that "my baby" is an aluminum box, two feet long by six inches high by three inches wide. It weighs six lbs. and is named Flash-O-Graph.

Flash-O-Graph is an illuminated motion message unit used for point-of-sale advertising and to animate "still" displays. It contains a simple electric motor that rotates an endless perforated tape in front of a window. The perforations form the advertiser's message and "cold" light from an 8-watt slimline lamp shines through them to produce a bright and legible running message that is without glare and is visible both night and day. The Flash-O-Graph unit may be described as a miniature replica of the *N.Y. Times* electric news bulletin sign. A special feature of the unit is its power take-off, which is used to animate accompanying displays.

My trip to Whitehall Street to sell Flash-O-Graph to the First Army for use in their recruiting posters was the result of a sudden rainstorm plus the fact that a salesman eats, drinks, sleeps, and dreams the product he is selling.

A week earlier, I had been caught in a shower shortly after leaving my restaurant at lunch time. As I took shelter under a store awning, I noticed an Army recruiting poster in the window. As I glanced at it, the thought suddenly flashed across my mind that although I passed that window five times a week on my way to lunch, this was the first time the poster had made any impression on me, and it took a rainstorm to bring that about.

It's my business to notice posters and so I studied this one to find out what was lacking and who was to blame. The fault was not mine, but the poster's, I finally decided.

"Poster is static," I said to myself.

Just then, the rain let up for a moment and I made a dash for my office building. As I ran I thought: "That poster needs animation to attract attention." When I got to my building, that thought was followed by: "The poster needs Flash-O-Graph." In the elevator, I closed my eyes for a moment and saw a new Army recruiting poster functioning most effectively with a Flash-O-Graph unit. Ten seconds later, I was on the telephone informing the recruiting publicity bureau of the First Army that I had a unit that would animate their posters and "sell" the Army. An appointment was made for a demonstration of Flash-O-Graph.

As I took a Flash-O-Graph unit out of its carrying case that autumn morning in Captain C's office, I noticed that his face fell.

"If I knew that you were bringing me one of those motion gadgets," said Captain C with a wry grin, "you'd never have been allowed to pass the door."

He then went on to tell me about the First Army's sad experience with "some kind of" motion message machine.

What salesman has not, one time or other, faced that most difficult of customers: namely, the customer once bitten, forever shy?

What should I do? I should explain, of course, that my unit was nothing at all like that "some kind of" machine he was describing. But how much selling could I do in one second? One second is all that it takes to plug Flash-O-Graph in. I decided I would let my product speak for itself.

Every salesman carries with him, at all times, an extra salesman, and that extra is the best salesman in the world. That salesman is the product, itself. In every selling job, there comes a time when the salesman sells best by keeping silent and letting his product do all the talking.

This was the time for me to plug in Flash-O-Graph and let one demonstration speak louder than ten thousand words. So I plugged in, and stepped back to watch Captain C's face.

For the climax of this episode I should like to quote from the "contact report" that I wrote that evening in my office:

Flash-O-Graph chased the clouds away from Captain C's face. . . . Never saw a man change so quickly. . . . One moment he had the expres-

sion of "you can never get me to go for that!" and the next he was beaming at the unit like a proud father over his baby boy. . . . Captain C called in Major M. . . . Both of them very excited over the animation features of F. . . . They would like to buy 350 units for the First Army *but* have no appropriations for point of sale displays. . . . We discussed what can be done. . . . Nothing settled. . . . Would I leave my card, they asked, and they would call me if an appropriation were made. . . . When they asked for my card, I thought: Calling cards get mislaid, calling cards have no eye appeal, calling cards are not the best salesmen. . . . The best calling card I can leave with them is Flash-O-Graph. . . . So I left a unit for Captain C "to play around with." Check results in a month.

I didn't have to wait a month. But before I go on with my story, I should like to say a few words about the "contact report" from which I quoted above.

It is the custom in our organization to write up each day's events in brief, informal fashion in order to retain the flavor of some business meeting, pin down some creative flash or fancy before it is forgotten, capture the highlights of a selling experience, and record any items that might be of value in the future. These "contact reports" can be likened to the Army's intelligence reports. Out of a jigsaw collection of scraps of information, it is often possible to construct a clear and unified picture. A news item recorded in January, plus a contact made in March, plus a business event occurring in August may add up to a sale in September.

To return to the First Army. The Flash-O-Graph "calling card" I had left with Captain C, despite the fact that the Army had "absolutely no appropriation," had worked overtime for me. To borrow from military vocabulary, it had established a beachhead.

Two weeks after my first visit, I was called down to Whitehall Street. No, the money had not yet been appropriated, but they were interested in Flash-O-Graph. They were interested! That's all any salesman worth his salt needs. Billions of dollars' worth of goods and services have been sold with less of an opening. It's not possible, I said to myself, for a man to build the best mousetrap in the world and have it go unsold.

So I put the question of appropriations out of my mind for the time being, went back to my office and set to work to design posters for the First Army, with the help of Captain C and his staff.

A month later I was back at First Army offices with two "finished comprehensives." They passed inspection with flying colors.

Then, the Army personnel and I settled down to a siege of that most stubborn of problems: How could the Army buy the Flash-O-Graph units it requires?

The First Army required 350 units and had managed to raise some \$3,000 for their purchase, less than \$10 per unit. Since Flash-O-Graph sells for \$48 per unit, this was manifestly impossible, even for the Army and even if a scale of discounts for quantity purchases was applied.

At the end of our meeting, one of the officers dropped a hint that I might possibly accomplish my mission of selling Flash-O-Graph if I went directly to the Department of the Army in the Pentagon Building, Washington.

As I went back to my office that day, this hint lay heavily on my stomach. For the first time in my dealings with the Army I felt uncertain. I began to waver and wondered if I shouldn't chuck the whole deal. All the old, stale jokes about red tape in the Pentagon passed through my mind. I recalled the old stories of civilian visitors to the Pentagon who had disappeared forever and were lost and wandering for all time in the mazes and labyrinths of that building.

That evening as I looked through my "contract reports" I saw a mention of the fact that national recruiting publicity was handled from Governor's Island. Here was a new angle.

Let us skip over the countless telephone calls that had to be made, the numerous letters that were written, the scores of leads that were tracked down, and turn the calendar to July 1948.

In July, I went to Governor's Island to give a demonstration of Flash-O-Graph before 15 Army officers. I quote again from my "contact report" or "intelligence report":

Flash-O-Graph demonstration today a great success. . . . Army officers bought the package *but* they, too, didn't have any money. . . . Keep punching, Lou!

I kept punching. On August 31, I had my second interview at Governor's Island. It was like a phonograph needle stuck in the same groove: How are we going to get appropriations? How are we going to get appropriations? How are we going to get appropriations? . . .

After an hour and a half of this, Colonel K made the observation that the only possible solution to the problem was to get in touch with the advertising agency that was handling Army promotion and see if any of its appropriations could be set aside for point of sale displays.

"I suggest that you get in touch with them, Mr. Biro," said Colonel K.

Have you ever seen a dog worrying an old, bare bone? That was Lou Biro on his way back to the office that day. I chewed Col. K's suggestion over and over again, extracting whatever meager juice was left.

That day, I sent a telegram to the account executive handling the Army promotion program for the agency. Because I was unable to ascertain his exact whereabouts in so short a time, I made sure to contact him by sending my message to each of his agency's offices in Washington, New York, and St. Louis. Anything worth selling, is worth selling for certain.

Colonel K had "suggested" that I get in touch with the agency. It happened that my telegram, for some reason or other, contained the word "directed."

"We have been directed by Col. K to get in touch with you . . ." my telegram read, in part.

Former army men will immediately recall that this word "direct" implies an order in Army usage. And that word in my telegram made things pop.

It seems that the first of my telegrams was delivered to the account executive in Washington, while he was in the office of General G, in charge of Army publicity. Five minutes later, a teletyped copy of my New York telegram was delivered to the account executive, and five minutes after that, the St. Louis telegram was teletyped to him.

All this took place on August 31. On Sept. 8, the agency's executive vice-president flew in to my New York office to find out "what all the shooting was about?"

I answered him the best way I knew, by showing him Flash-O-Graph in action. He liked it. He was going to get in touch with the account executive and recommend it. A meeting with the account executive was set up.

The account executive liked Flash-O-Graph, too. He asked for

sample displays and declared that he would do his best to get the unit into the Army recruiting program.

I began to congratulate myself. "The sale is just about clinched, Lou," I said to myself. Then, on Oct. 20, I received word that it was "impossible to use this type of advertising in the U.S. Army program." Period.

But I wasn't going to let that wash up the deal. The only period I would accept was the period on a completed sale. So I took a deep breath, shook my head to clear away the cobwebs of disappointment, and sent off a letter to the account executive, thanking him for his courtesy in the past and assuring him that I was at his disposal should the situation change in the future.

Privately, as a check of my "intelligence report" of that time shows, I was determined to do all in my power to get the situation to change and would be ready to swing into action when it did.

The next three months may be compared to the winter lull on a battlefield. I was busy opening new channels of communication, getting my biggest sales guns ready, storing up new promotional ammunition and completing my "intelligence reports."

These reports informed me that a civilian commission was being appointed to investigate army recruiting. Composed of advertising, merchandising and administrative executives, this group was concerned with the caliber of men being recruited and with the possibilities of effective Army promotion through other media besides radio and periodical advertising.

Early in January 1949, I sent a memorandum to the advertising agency, which contained an over-all program for Army promotion in "high concentration locations" by means of effective point of sale displays.

On January 14, the agency asked my firm to present our program in Washington before a joint meeting of the civilian commission and army representatives. We demonstrated our displays in competition with 56 others.

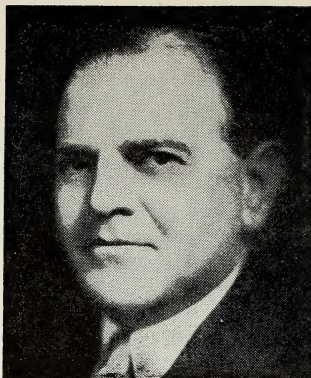
On January 28, the agency asked us to prepare two new displays for a final test presentation at the Pentagon Building.

For the final act of this drama, I quote again from my "intelligence reports":

February 9: This is it! D-Day: Demonstration-Day. Off to Washington

with two Flash-O-Graph units tucked in my arms like tender, precious babes. . . . So this is the Pentagon Building! Well . . . I didn't get lost! No mazes . . . no labyrinths . . . no red tape. . . . I just went up two flights. And there I was . . . where I was supposed to be! Lots of Army brass around. . . . I unpacked my units. . . . All that brass is making my fingers tremble a bit. . . . Stage fright, I guess. . . . Holy!!!! There's a washer missing from one of the Flash-O-Graphs! A little, insignificant washer that can ruin the whole display. Keep cool, Lou. You need a washer. . . . What are you going to do? There are no hardware stores in the Pentagon. . . . Think hard, Lou. . . . A lot of people waiting on you for the demonstration. . . . "Excuse me for a moment, gentlemen." . . . I dashed off to the men's washroom and borrowed a washer from the plumbing. . . . It fitted perfectly! Plugged in Flash-O-Graph and waited for results. . . .

Feb. 15: Order for 500 Flash-O-Graph units for pilot projects received today.



CARL BYOIR

of Carl Byoir & Associates, Inc., New York, was born in Des Moines, Iowa, and is a graduate of the University of Iowa and Columbia Law School. He began his career as a reporter on the "Iowa State Register" at the age of 12, and at the age of 16 he was managing editor of the "Waterloo Times-Tribune."

During his senior year at Columbia Law School he introduced the Montessori method of child training into the United States. The following year he was publisher of "John Martin's Book," the magazine for small children. He then entered the Hearst organization as an advertising salesman for Hearst's magazines and was successively promotion manager, western advertising manager, and circulation manager of "Cosmopolitan Magazine."

During World War I he was associate chairman of the United States Government Committee on Public Information.

He organized Carl Byoir & Associates in 1930 and in the depression of 1932 was instrumental in organizing for the American Federation of Labor, the American Legion, and the Association of National Advertisers more than 6,000 local committees, which secured temporary or permanent employment for more than 800,000 unemployed.

He conceived and organized the birthday balls for the President and during four years as general director raised millions of dollars to combat infantile paralysis.

Besides acting as President of Carl Byoir & Associates, Inc., he was Managing Director of the Miami Biltmore, Roney Plaza, British Colonial, The Whitehall, and Palm Beach Biltmore hotels.

Since 1937 he has devoted all his time as Chairman of the Board of Carl Byoir & Associates, Inc., which represents as public relations counsel the following: American Can Company, The B. F. Goodrich Company, Bendix Aviation Corporation, Bymert Corporation, Eastern Railroads—Transportation Committee, The Great Atlantic & Pacific Tea Company, Hall Brothers, Inc., Hughes Tool Company, Levitt and Sons, Inc., Libbey-Owens-Ford Glass Company, Lumbermens Mutual Casualty Company, Minneapolis-Honeywell Regulator Company, Radio Corporation of America, Schenley Industries, Inc., Servel, Inc., Sheaffer Pen Company, the Tile Council of America, and Willys-Overland Motors, Inc.

14. The Colonel and His White Elephant

ALMOST EVERY MAN, when he is young, daydreams about making a big sale to a multimillionaire. But few do. As they grow older they find that men who have made big fortunes are the hardest of all to sell. One reason is that they rarely expose themselves to the salesmen. They buy. They don't like to be sold.

So I think there are points about this sale that are worth telling. Whether or not it's the greatest sale I ever made, I'm sure I don't know. I do know it was the most satisfying.

The sale took place in the spring of 1932 when the depression was bumping bottom. The times were rough on anyone who had something to sell.

Our public relations business was less than two years old. It was struggling, and we needed clients. I had formed the business for a rather unusual reason. I was publishing two English-language papers in Cuba, and my problem was to increase their circulation. That meant getting more English-speaking people to come to Cuba, so I decided to engage in a vigorous tourist-promotion campaign.

I formed a company to do this, and soon had several other clients for the services of my organization.

One of these was Col. Henry L. Doherty, well remembered as an empire-builder in utilities and oil. He had become interested in Florida and had put new capital into the Roney Plaza Hotel on Miami Beach. We were retained to do promotion for the hotel.

Then Colonel Doherty took over the Miami Biltmore Hotel in Coral Gables, which was known far and wide as a white elephant. Built at the crest of the earlier Florida boom, it was miles from the beach; and though magnificently equipped with golf course, pools, and all the resort features, it failed to attract tourists. Few wanted to go miles inland when they could get a view of the Gulf Stream from any of a score of half-filled hotels. It was rumored that the

group operating the Biltmore had lost \$300,000 the previous season, and the hotel had closed in mid-February, which should have been the peak of the season.

If Doherty wanted to take a flier, that was his business, the experts said, but not even his magic was expected to be enough to make a paying property out of the Miami Biltmore.

Characteristically, Colonel Doherty made his first move by dictating a telegram that ran for two pages. He got a list of individuals and organizations in the public relations and promotion business who were supposed to be experienced in what he wanted, and the wire went to each.

He intended to promote the Miami Biltmore, it stated, and he would like a proposal on how to do this. It should be in writing, and he would not be available for any personal solicitations.

The gist of his wire was relayed to me from our New York office. I was in Cuba, so I called Colonel Doherty and said that I would be going through Miami the following day, and as he was at the Biltmore, I could see him and talk the matter over.

He was willing and I went to the Biltmore. It was mid-spring, and Miami was practically boarded up. The tourists, the few there had been that season, were gone. But the Colonel and Mrs. Doherty were living, alone, in the Biltmore tower. He always liked towers.

Our conversation rambled over much territory. I could see that in his mind was more than the problem of the Biltmore. He expected Florida to boom again. "You can't keep people away from here," he said. "There'll be so many of them that any hotel will be bulging at the seams. The only trouble is, not enough people know about Florida."

When I left I said that in New York I would give him a plan for the job he had in mind.

Now we needed a product to sell. I began, as I believe every good salesman should begin, with my analysis of what Colonel Doherty really wanted to buy. He wanted to buy something that promised to turn a white elephant into a good business investment. Publicity and promotion were only means to that end. So obviously what was needed was enough promotion to get the result.

Although we knew that the average budget for hotel promotion was only a few thousands, we determined to blueprint what could

be done, and then tally up what it would be likely to cost. That would be the price on the ticket.

If this dreamer wanted the whole United States to know about Florida, then we had to create something there that would be talked about all over the U.S.A.

A sports program could be the beginning. But not just a nice little program. This would have to be a super sports program. Colonel Doherty was also the president of the Florida Year-Round Clubs, which he organized and which grouped together the Miami Biltmore Country Club, the Roney Plaza Cabana Club, and the Key Largo Angler's Club.

So we plotted a winter-long program sponsored by the Florida Year-Round Clubs, with some news-making event almost every day that would keep sunny Florida in the headlines back home where the folks were bundled up to their chins.

Perhaps we left out something, but I doubt it. Our projected schedule listed open and amateur golf tournaments, tennis tournaments, a National Olympic Stars Aquatic Meet, a national horse show, a national dog show, a national bridge tournament, sportsman pilot competitions for airmen, national fishing tournaments for anglers, and more that I have since forgotten.

Then we worked on the axiom that names made news. We planned to hire, and later did hire, both Gene Sarazen and Walter Hagen, as resident golf professionals, along with Mike Brady and Ned Everhart. Sarazen was then national open and British open champion.

We outlined the formula for huge water shows on Sunday afternoons in the Biltmore pool. Later we had to build a stadium to handle the crowds, and one who took a look was Billy Rose, who later used the pattern for his Aquacades in Fort Worth and at the World's Fair in New York.

Finally the package was complete. We added up the dollar column and the price came to \$155,000.

That was the plan. We believed in it. The big question was whether Colonel Doherty would believe in it at that price. I encouraged myself by saying that anybody with his record of business success would never expect to turn a \$300,000 loss into a profit for peanuts.

So I presented our proposal to him, this time in his tower suite at the Waldorf-Astoria.

He read it through and tossed it aside.

Then he said, "Mr. Byoir, who wrote this?"

I replied: "This is a composite job. A number of people in our organization contributed different parts of it. I then gathered together all of the drafts, eliminated some proposals and added a few new thoughts, rewrote and edited the final version that you've read."

Then, fixing me with a cold stare, Doherty said: "What you mean to say then is that this is the work of yourself and your whole organization?"

My affirmative reply was hardly out before Mr. Doherty interrupted: "Now, I'm just an engineer, you know. Never went to school a day in my life after I was twelve years old. But I'll bet you the whole amount of your fee that I can produce a better plan, single-handed and alone, in 24 hours than you and your whole organization have produced in two weeks."

Now, my friends tell me that I'm usually a pretty mild person. I don't believe in hard-hitting, fast-talking salesmanship. But I usually have an answer. "Mr. Doherty," I said, "I am very much disappointed. I've heard a lot of things about you, but I never heard you were the kind of man who went in for sure-thing bets."

"What do you mean 'sure-thing'?" he snorted.

"What you are really saying, Mr. Doherty," I said, "is that you are willing to bet that you are smarter than Carl Byoir and his whole organization. We'll admit that in advance. You have built a billion-dollar utility empire and we have built a little public relations business. But now that I know what you want, maybe I can help you."

The Colonel looked skeptical, but I continued, "Let's canvass the field to see if we can find someone smarter than Henry L. Doherty that you can hire. Of course, there is no use considering Sam Insull because he went broke in the same business in which you have made a great fortune."

Doherty appeared apoplectic, so I hurried to add: "We can't hire anybody in the gas industry who would fill the bill, because you have been the acknowledged leader of that industry over a long period of years."

"In fact, there is just one man whom we can consider on the basis that he might be smarter than you are, John D. Rockefeller, Senior. There are just two objections to that, however. One is that Mr. Rockefeller is getting a little old, and the other is that he might not want to work for you."

With this Colonel Doherty burst out laughing and on the spot signed the contract.

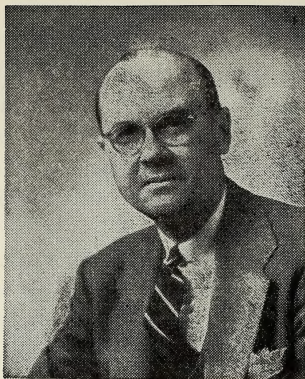
Not only did he sign it, but he did not cross out a single item in the program. My greatest satisfaction came when he said, "Mr. Byoir, I'm buying your proposal. I can't imagine how any of your competitors can think they can do the job I want for any \$10,000 or \$15,000. Get the job going, and make it as big as you possibly can."

So in the fall of 1932, when money was tight everywhere, and when most of those who had a stake in Florida could not afford to promote it, the Doherty program of selling Florida got under way. The news and publicity activities were supported with large-scale display advertising in newspapers and magazines. At first, the Doherty advertising seemed to be almost all there was from Florida.

But the Colonel toured the state and told leaders in dozens of communities what he was doing, and what he believed Florida would reap. Many caught his enthusiasm, and so marked were the results that at the end of the season there was a state-wide celebration of Doherty Day, in recognition of the impetus he had given to the state's comeback.

How about the Biltmore? Doherty was right. Within a couple of seasons it was in the black. In one season that began in October and ran to mid-April, the once moribund Biltmore housed 14,650 guests. And these were paying guests, not the guests whom the Colonel had invited that first year, at his expense, to grace the palm-shaded patio and the pool and the golf course, so that America could see people in widely-syndicated pictures and newsreels, having fun in Florida.

But even this story is not an exception to the rule. No one in the world could have sold such a program to Colonel Doherty if it hadn't been just what he had in mind. He bought what he wanted. He wasn't sold anything.



WILLIAM K. BEARD, JR.

the President of the Associated Business Publications, is a product of Philadelphia and the Wharton School of the University of Pennsylvania class of 1919.

His first job after graduation was in international freight forwarding and then came in quick succession a turn in cotton yarn selling and a mis-adventure in the step ladder business, a strange variety of vocations he describes as accidents of fate and the usual bouncing of an impulsive youngster.

In 1923 he came "home," to the McGraw-Hill Publishing Company, in which his father and two brothers had preceded him. Here he stayed for 26 years, selling advertising space in several different territories and progressing gradually from salesman to publication manager, publisher, and most recently as company Vice-President in charge of promotion and research. He took over the ABP presidency in December, 1949.

As extracurricular chores Mr. Beard served as Chairman of the Research and Promotion Committees of the Association he now heads, as a member of the Administrative Committee of the Advertising Research Foundation's Study of Business Paper Readership, and in work of the National Industrial Advertisers Association.

He has been active in community work in Scarsdale, New York, and (as he puts it) dabbles in golf, gardening, and the raising of a family.

15. Know the Rules — and When to Break Them!

SALESMANSHIP, it sometimes seems to me, is a good deal like playing golf. The salesman has many clubs in his bag, each designed for a particular purpose. The effective salesman, just like the par shooting golfer, knows what each club is for. What's more to the point, he knows how and when to use it.

There's another way the "game" of selling can be likened to the game of golf: Human nature being what it is, we treasure in our memories those rare star-spangled performances, and conveniently forget the dreary ones. The irons dead to the pin, the flashy birdies, and the big orders we landed the hard way linger long and pleasantly in our minds. While the dismal shanks, the ugly nine shot holes, and the sales we flopped on are parked in the limbo.

So it is, that in trying to bring alive a memorable sales experience, most of us will turn most readily to a *success* story, one of those cocky "I got the order" yarns. However, it can be sensibly argued that as much, maybe more, can be learned from a parade of selling failures. Knowing what *not* to do is good stuff in selling, too.

Anyway, I have resurrected for my contribution to this anthology a selling adventure that landed me on the plus side. This experience happened a good many years ago, but it is still my favorite. It was a big order, in more ways than one. It came the hard way, and I got it by tactics that seem to point up a couple of worth-while selling principles.

The incident developed from a cancellation, so I didn't really get an order; I *saved* one. I was covering a Midwest territory for a national trade publication, selling advertising space. One day, out of the blue, and with the shock that hits every redblooded salesman when an important account turns sour, one of my largest advertisers quit cold. My magazine, and all the others on the list,

went out the window in a quick and violent reaction to an equally quick and violent price war.

Things happen like that in selling. One minute you're riding high, your territory is going along in good shape, commission checks are lush, the world seems very rosy indeed. Then some big shot way up high out of reach makes a big-shot decision and a lot of salesmen way out on the firing line get that blackest of news, a cancellation.

I did what I think all salesmen do when the heavy ax strikes. I went cold all over. Then came the hours of demoralized thinking. Next in the usual order of reaction was the period of defeatism. This one wasn't *my* fault; everybody got caught and I couldn't expect to survive alone. If the head guy wanted to act that dumb I could do nothing about it but get a long, self-righteous report off to the home office and hope for better luck tomorrow. You know how it goes.

Finally I got around to some constructive thinking. The soliloquy went something like this: "Big boy, you're not paid to sit around and do nothing. Maybe you're no Frank Merriwell, but where can you get if you don't even go up to the plate and swing? You've got something that outfit needs now more than ever, with this price war going on. If you go tell 'em real hard they might even believe you, and do something about it. What the h--- !! The best you can do is get in there and give it a whirl."

So I packed a bag and sleepereed that night to the battlefield. Probably there were a hundred salesmen caught in this disaster, but I can brag that I was the first one to reach the field of action.

I was on the advertising manager's doorstep when he came in next morning and he didn't seem glad to see me. In stoical fashion he told me the quit-order came from upstairs, and there wasn't anything he could do about; and he was sure there was nothing a "pip-squeak" space salesman could do about it.

I mentioned to Mr. Ad manager that my service was terribly, terribly important. And would he mind if I took the story upstairs myself. He said I couldn't get in if I tried, but if I was smart I wouldn't start crashing over people's heads and getting things messed up. I reminded him that my company expected its men to cover the decision people, just like his company certainly did; and that I couldn't just take a licking lying down on such a big account.

He grunted something about being a fool and gave me a cool dismissal.

No hits; no runs; maybe one error, for I was going against the advertising manager's advice and over his head.

The next step was the account boss at the advertising agency. He wasn't easy to get to at any time, and extra hard right now because of the upheaval his biggest client had dumped on him. I sat him out and finally caught up with a very harried gent on his way to lunch.

He was brusque and completely negative, but at least sympathetic.

"I know it's a hard one for you fellows to swallow. Don't forget we're taking it on the chin too. There's only one man who can save your skin and that's the Sales V.P. I can't help you up there and I think you're wasting your time trying. But if you want to stick your neck out, more power to you."

I got the V.P.'s office on the phone and pleaded my cause with a secretary who sounded like she might have a heart.

"Please tell Mr. 'Big' I made a special trip down here to say something to him that won't take more than two minutes. Tell him I'm going to stick here in town until he gives me two minutes. And tell him, please, that it means an awful lot to me, and it might mean even more to him."

She *did* have a heart. "Be over here by 8:30 tomorrow morning. My boss is an early bird. I'll try to get you in."

I was there at 8:15. At 8:50 his nibs rushed in. At 9:40 my pal, the advertising manager, came along, saw me sitting outside his boss's office, tossed me an icy greeting, and went in. At 10:10 he came out and stopped long enough to tell me I was wasting a lot of time. I just smiled. At 11:15 the nice secretary gave me the nod. "Mr. Big will see you now. Sorry you had to wait so long."

He had a great big job in a great big company. His office was the size of a good-sized railroad station. I don't mind saying I was as nervous as the proverbial wet hen. All the heroics of my bold venture seemed to melt in the seconds it took me to cross the room and reach his desk.

But he was about the warmest and most pleasant man I could hope to run into. You have the chance to learn in selling that the biggest men are apt to be the most approachable and the most

understandable. It's a characteristic of bigness, I guess. And that's something pretty important for a salesman to know.

"I got your message, Mr. Beard. Sorry I couldn't see you sooner. I'm afraid there isn't a thing I can do about what you want to sell me. But I'm a salesman too, and I didn't want to refuse you an interview. Go ahead with your story." ("I'm a salesman too"—get that; it's an important touch.)

You can be sure I had practiced the opening lines of my sales pitch so that they came out smooth and direct.

"I asked for two minutes, Mr. Big, but I don't even need that long. My point can be stated in a couple of sentences. If I didn't sincerely believe it was a matter of very serious importance to you and your company, I wouldn't have presumed on your time, or wasted my own company's money getting me here.

"You have cut all your advertising. As I understand it, *everything* is out. Your reasons for taking such drastic action must be very good ones. But along with the wholesale slash has gone the publications that are read by the distributors and dealers who are selling your product today, or you would like to be selling your line tomorrow. It should be particularly important during this price upheaval to keep your name conspicuously before the trade. You don't want to act like you're running for cover, do you?

"The cost of your trade paper program is small potatoes compared to your over-all advertising. I'd guess it was something like 5 or 6 per cent of your advertising appropriation. It's sort of like cutting down household expenses by throwing away the frying pan and coffee pot.

"I'm pleading with you to continue my publication, which you know is the leader in the field, but I'm asking you to restore your whole trade program immediately, and if possible, increase it."

"I'm pleading with you to keep your flag flying up high where the distributors and dealers can be sure to see it. This is no time to advertise retreat by being conspicuously absent from the trade press, is it?

"That's my whole story. It took me less than two minutes. I'll be mighty eager to answer any questions you'd like to shoot at me."

The V.P. in charge of sales of this very great concern smiled with what looked very much like a happy kind of smile.

"I can't help but agree with you," he said. "You make your

point very effectively. I'll look into the matter at once and see what I can do about it."

I stood up and he gave me a warm handshake. Some stammering words of appreciation and my interview was over. On the way out I told the secretary with a heart that she and her nice boss had given a young salesman a great lift and she seemed to like hearing it.

That same afternoon telegrams went out restoring advertising schedules in the trade publications. I heard later that the wire to my paper went first.

I called up the advertising manager, and for a cold fish he acted almost chummy. "Nice going, Bill; didn't think it could be done. What the h - - did you do to him?"

My talk with the agency boss was pretty much the same.

I climbed on the train for home in a mood of downright exaltation. A daring and seemingly futile mission had paid off, handsomely. This was *veni, vidi, vici* stuff, the kind of experience that makes selling thrilling and greatly rewarding, far beyond the pay scale.

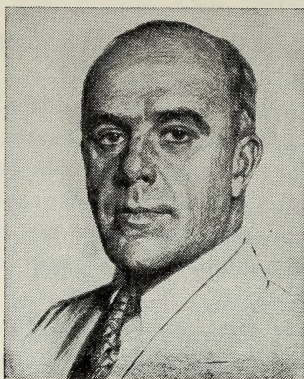
Moralizing is usually pretty dull, but I can't resist mentioning a couple things about this little adventure that have stuck with me through a good many years of selling.

There's an old saying about knowing the rules *and when to break them*. It's a rule of selling, and a good one, not to climb recklessly over people's heads. But there are times when the bold and unorthodox course, one that calls for sticking one's neck out, is probably the best course to take, and it may be the only one.

"Naught ventured, naught have."

And there's that other most comforting thought, that the man way up the ladder is usually a pretty human sort. That's one reason why he got there. So, when you think your story is *really* good, go topside, when you have to.

You'll meet some fine people. And once in a while you'll perform the kind of hat trick that makes this "game" of selling downright exciting.



CHARLES ALLEN WARD

the President of Brown & Bigelow, St. Paul, Minnesota, was born in Seattle May 29, 1887. On graduation from high school he followed a variety of occupations, sailor, miner, electrician, all the hard jobs that are part of a frontier. He joined Brown & Bigelow in May 1925. From 1926 to 1927 he was the foreman of the metal working division and was superintendent from 1927 to 1928, general superintendent from 1928 to 1929, assistant general manager 1929 to 1931, vice-president in 1931, and president, sales and general manager since 1933.

He is President of the Consolidated Ink Company, Quality Park Investment Company, Northwest Land & Development Company, and Quality Park Farms, Inc. He also holds the posts of chairman, Quality Park Box Company; vice-president of the Quality Park Envelope Company and the Bigelow-McGill Company; and director of the Beissel Company and the Midway National Bank. His home is at Quality Park Farm No. 2, Hudson, Wisconsin, and his office at Brown & Bigelow, 1286 University, Saint Paul, Minnesota.

16. When You Stop Being Better You Stop Being Good

IN 1932, at the bottom of the depression, I was in charge of manufacture for my firm, Brown & Bigelow. Sales had slipped from a high of about \$6,400,000 to \$2,700,000. Retrenchment was the watchword, for my company as well as all others. My boss told me that we weren't going to spend any money!

But the leadership in the color printing industry, so long held by Brown & Bigelow, was threatened. Other calendar houses were learning some of our printing processes. They were getting an increasing volume of business that once had been ours. Our salesmen were not selling their share.

I wanted a new printing process, one I had found producing glorious prints in Europe. It was a rotogravure process, and roto, particularly color roto, was unheard of in our business. But I dug into my own pocket, since I couldn't get the money from the company, and sent craftsmen to Europe to study. On my own initiative I ordered a press.

The craftsmen returned. The plates they had made furnished the most beautiful, accurate reproductions I had ever seen. The press was installed, but it had to be paid for.

"It's your press," I was told. "You pay for it; I didn't believe in it to begin with." So I went to a banker friend and borrowed the money to pay for that press.

Now I was in a spot. Here was a process I not only believed in but had paid for, and gone in the hole for! But there was no pay business in sight.

I hunted up one of our top salesmen. "What's the toughest big calendar account you have?" I asked.

He told me one that couldn't be sold. I asked why. "There's a family connection. A son-in-law of the vice-president handles the

account with the local printer he represents. And his price is always lower than ours."

Family and price, that was a challenge. Time was running short. Calendars must be delivered around Christmas, and this was already late November.

I took six prints, reproductions made by my newly-imported process, and went down to see, not the vice-president, but the president of the firm. I sent in one picture. "Please tell Mr. Blank I'd like to talk to him about pictures like these."

I was ushered in. For ten minutes I talked about this famous European printing process, the magnificent pictures resulting, the eagerness with which these European art prints were accepted. Then I looked him in the eye and said: "Mr. Blank, every year you send out a calendar, with a picture reproduced from a painting by your own private artist, the best man in his field."

I went to his wall and took one of the 1932 calendars down. "If you look at this picture closely, you'll see the blurred dots that American processes generally use to reproduce such paintings. There are no such blurrings in pictures reproduced by this European process. Would you like to have your calendars run in this process? It's a press that prints like the artist paints. It is quality printing worthy of quality pictures like yours."

"Prints like the artist paints. Mr. Ward, do you have such a press?"

I came back to my boss with the order. We have held it ever since, in the face of competition, because Talio-Crome, the process that prints like the artist paints, still does the top job for this customer. I sold the order because I believed in top quality and I made right comparisons.

My boss looked at the order. He had tried to sell it himself, many times. "All right," he said. "Get the salesmen to sell a lot of orders. I'll pay for your press."

Less than a year later I was president of Brown & Bigelow. Sales were still down. So were finances, facilities, and most important, vision.

My first job was one of company survival. We came through, but I'll never know just how. Inadequacies remained, but it is a tribute to the basic soundness of the idea we sell, "Making business more profitable by making it more friendly" that we survived at all.

By 1939 we had surpassed the previous peak. But I was dissatisfied. I wanted sales to hit \$10,000,000.

To do this, I had to make a sale, a sale to a salesman. We had the best sales force in the industry, but average earnings of around \$2,000 looked mighty low. I had to sell salesmen on making more money for themselves.

There had to be a way to do it. I knew that our salesmen had about the same things, in general, that all calendar salesmen had to sell. Advertising space on private walls, paid for by the attractiveness of a calendar picture and the usefulness of the calendar pad. That was all.

But I harked back to my own story of quality, of something better. Talio-Crome, the process that prints like the artist paints, was the starting point. This was exclusive. This was different. This was top value, readily pointed out, easily established!

Why should our salesmen have anything but the best printing process to sell? Why should they show our customers anything but the most attractive pictures? To compel the eyes to go to the advertisement, that is the customer's reason for buying calendars.

In Talio-Crome our salesmen had something exclusive. More than that, he had the exclusive right to sell Talio-Crome in our market. That exclusive right was a franchise, something no one else could offer. The customer had a franchise, too, the exclusive franchise to the picture he bought for his market!

The more I thought about that franchise idea, the better it looked. I examined other exclusive features. We had the official Boy Scout Calendar. That was a franchise, something only one firm could possibly get for the trade area it covered. We had an exclusive arrangement, for advertising specialties, with the Dionne Quintuplet guardianship. That was a franchise.

A franchise calendar, following the same theme, year after year, becomes a firm's trademark in that firm's trade area.

I sought other exclusives. I wanted artists of the same quality as the printing processes we used. When sales indicated a growing demand for girl pictures, I secured not the third best, or the second best, but the very best girl artists, Gil Elvgren, Earl Moran, and Rolf Armstrong. To help salesmen cash in on the tremendous interest in wildfowl, I got an exclusive contract with the greatest of

all bird painters, Richard E. Bishop. When I wanted a landscape I didn't buy one from a gallery; I went to Maxfield Parrish.

Only the best would do. I went to headquarters for humorous artists, Lawson Wood and his monkeys, Paul Webb and his Mountain Boys, the inimitable caricatures of Henry Majors. Top quality—unexcelled quality!

In every conceivable way I drove the quality story home to the sales force. My own motto is "When you stop being better, you stop being good." I showed them better franchises, better lines, and more of them, year after year. Here and there salesmen began to catch fire.

That was fine, so far as the salesmen were concerned. But then I began to examine working methods. One territory, held by a man whose sales were among the ten highest in our force of 400 men, was so big that he was away from home at least three weeks at a stretch. I called him in.

I tried to point out, by means of Dun & Bradstreet, that he was passing up tremendous volume right close to home to drive 180 miles and see three customers in one town. I talked to him about the value of time, told him all he got paid for were the hours spent in front of a prospect. He was cold. Finally I said that everything would be all right, that his territory would remain uncut, but would he do me a favor? He agreed cheerfully.

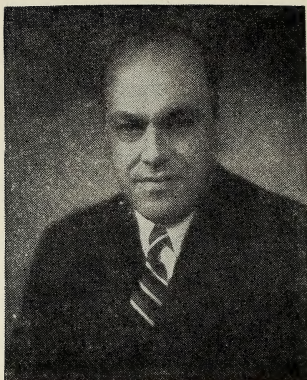
"Will you wear this every time you start on a drive of more than twenty miles?" I handed him a taxi-driver's cap.

"Boss," he said, "you've made your sale. I'll go you for a year." A year later he came in and asked for still less territory. He was making twice the money at half the expense!

That was the start of the sale necessary to get men to pinpoint their efforts. The sales force increased and sales went up. In 1943, in the face of civilian shortages, with more than half of Brown & Bigelow on secret war work, I hit my goal—\$12,093,000.

But there was no end. The goal moved up—\$15,000,000, \$20,000,000 and at the war's end—\$30,000,000. In 1949 we sold \$35,000,000 and in 1950, over \$40,000,000.

Our sales force is about 1,000 in number. The average income of all men on the force a year or more is in excess of \$10,000. That's important. Salesmen are the lifeblood of business.



Fabian Bachrach

R. L. HOCKLEY

Vice-President of the Davison Chemical Corporation, Baltimore, Maryland, was born April 15, 1908 in Emporium, Pennsylvania. His early life was spent in Bethlehem, Pa., and Newark, N. J., where he was educated in public schools. When his family moved to Baltimore he attended Gilman Country School and the Baltimore Polytechnic Institute. He was a student at Phillips Andover Academy in Andover, Mass., after which he attended Cornell University.

His first position was as an engineer with the Campbell Metal Window Company of Baltimore in 1929. During the next year he worked as a statistician with the W. W. Lanahan Company, stock brokerage firm, also of Baltimore. For four years he was employed as an industrial engineer with the Worthington Pump and Machinery Company in Buffalo, New York.

Mr. Hockley returned to Baltimore in 1934 and was associated with J. D. Penniman, Jr. & Associates, also as an industrial engineer. In September of the same year, he was employed by The Davison Chemical Corporation. He worked for a time at their plant in Curtis Bay and then was moved to the city office as a department head and then sales manager. In 1942 he was made vice-president in charge of the marketing division and has maintained this position since.

In recent years in this position it has been one of Mr. Hockley's responsibilities to implement the policy of his company to diversify into new chemical fields. Formerly Davison was known only as a fertilizer concern; now it is established as a general chemical company. Mr. Hockley initiated further expansion plans in a recent trip to Europe.

Mr. Hockley has to his credit several articles which have been published in various trade journals. He is a member of the Sigma Alpha Epsilon Fraternity, the American Society of Refrigerating Engineers, American Management Association, National Federation of Sales Executives, and other organizations. He participates in a great many civic activities in the city of Baltimore.

17. Out Where the Sale Begins

THE MOST important thing I have learned about selling is that you can do more with "suction" than with "pressure." I would like to explain what I mean by telling a story about silica gel and how it was sold.

Silica gel is a desiccant which as you probably know is a material that takes water out of other materials such as liquids or gases. Since moisture in literally innumerable situations in homes and industries is a cause of costly decay, corrosion, spoilage and other troubles, it is plain to see that a desiccant that has a large capacity for taking out moisture and holding on to it has many uses. Such a material is silica gel.

Back in 1939 not enough people knew about these high qualities of silica gel. For my company this situation had special significance. We had always been known as a fertilizer company, and we wanted this description of our business to become less true. We were diversifying, in other words, and we particularly wanted to build up business in silica gel. Not only was it a good product but it would expand us into many fields with which we had not yet been identified. It would establish us more definitely as a general chemical company without, of course, losing our outstanding position in the fertilizer field.

The way to get volume for silica gel, we decided, was to pick one field in which we could concentrate a selling effort. If we made a success in one use, others would follow, as a stone dropped in a pool starts waves in widening circles until they reach shore.

We studied many of the situations in which people or industries needed a drying agent. We wanted a fairly good volume market where quick action could be obtained without too great a selling cost.

For these reasons we chose the refrigeration field. Water must be

taken out of refrigerant gases, right down to the last few parts per million. If it is not, it will form ice crystals, which will block the passages and stop the machine from working. Water, too, will cause a corrosion of delicate parts. The better the machine, the greater the harm from the moisture. Machines were getting better all the time. Since silica gel would do the best of all drying jobs, refrigeration was a place to attack, and this was my assignment.

The refrigeration serviceman is the man who buys the desiccant. The volume is particularly large in commercial installations, those assembled in the field, such as ice cream cabinets, and big built-in refrigerators. Every time the serviceman opens a unit he admits moisture from the air, and he should insert a cartridge of desiccant to take out that moisture.

The serviceman is the one with first-hand knowledge of moisture effects. If the desiccant he uses is inefficient or subject to chemical or physical change, he finds himself making too many service calls. His customers are dissatisfied. He wants to keep down service calls and he wants his customers pleased. We knew we had something that would help him.

But at the top of the pyramid was the cartridge manufacturer. What about him? If there were no cartridges with silica gel on the market, it would not help to have the serviceman sold on silica gel. The place to start was with the manufacturer.

I might say here that one of the sales problems we faced was price. Our product was expensive to manufacture. To ensure a reasonable profit, we had to charge a good deal more than the competitive products were bringing. I did not regard that as a handicap. But I think salesmen, as well as sales managers, often feel that their troubles would be little ones if they could only get a lower price tag on whatever they have to sell.

Here is another way of looking at it. Put yourself into the buyer's shoes. Suppose, for instance, you want a shotgun. You go into a store and there is a gun for \$75 and another for \$35. For all you know to the contrary, the \$35 weapon will bag as many ducks as the more expensive one. But you want the \$75 beauty. You feel it's probably a better gun and you'll get more enjoyment out of owning it. The only hurdle is the price: can you afford it? The store has no problem of selling you the better gun, the price does the selling.

This example is of course a bit of oversimplification but the

principle is sound. A technical product like silica gel, unlike an expensive shotgun, is lacking in glamor or hobby appeal. But if the product is good the price will still be no obstacle to the sale; you can prove to the prospect that he just cannot afford *not* to buy the product.

Now look at the other side of the coin. If you get business by underselling the competition you are in precarious shape; you will never know when someone will decide to undersell *you*, even if perhaps it means getting along on even less profit than your company is making out of *your* sales. But competition can never take away business that is sold on quality except by turning out something of *still higher quality*.

So we marshaled our arguments in favor of using silica gel in refrigeration cartridges, and I called on the manufacturers, one by one. What I had to say, backed up with technical reports, went something like this:

In silica gel we have a desiccant that can eliminate moisture troubles permanently. It removes moisture by a physical process called adsorption. The moisture is removed instantly, a big advantage, and without dusting or caking. As you know, when the desiccant powders or cakes, it slows up the flow of the refrigerant through the cartridge.

But that isn't all. Silica gel has greater capacity; it will take up $1\frac{1}{2}$ to 2 times as much as other commercial drying agents. It removes acids and corrosive compounds and holds them permanently through the action of adsorption.

Silica gel is not affected by oil, and the presence of oil in the refrigerant will not lessen its efficiency. When our product is saturated with oil, then placed in contact with moisture, it will take up the moisture and expel the oil.

Silica gel reduces the moisture content of refrigerants well below that attained by other materials; and because silica gel is chemically inert, it does not deteriorate or become less effective with time. After years of use you will find it just the same as when you put it in.

All this adds up to the fact that silica gel is cheaper in the long run. It is the way for the service engineer to eliminate "no-charge" service calls and customer complaints arising from moisture. It is the way for increased business and satisfied customers.

This is naturally a highly telescoped version of what we told the manufacturer. No one talks that way or condenses what he has to say to that extent. But I think you will agree that it was a pretty powerful story.

The trouble with it was it did not sell a single manufacturer. He (the composite prospect) said:

This is wonderful. I don't disagree with a word you have said. But my customers are buying my cartridges. They will not buy them if I change desiccants and charge a higher price.

To tell you the truth, this reaction was not unexpected. Now I get to the point of the distinction between the suction and pressure. I had been applying pressure and what I got was resistance. The manufacturers were right; *they* were not the ones for us to sell. But the initial contact with the manufacturer was necessary nevertheless and the time was not wasted.

By now you will have guessed that "suction" is another way of describing "demand." The manufacturer felt there was no demand and of course there wasn't. We had to create demand in order to build up the suction.

Next below the manufacturer in the pyramid of the refrigeration service business is the distributor. He stocks the cartridges and the servicemen get it from him. Should we rely on the distributor to provide the suction?

Many individuals and companies with things to sell tend to rely on the distributor. I think such reliance is unfair to this very important businessman. He has necessary and valuable functions, but he has not the margin on which to work that will enable him to do a lot of selling to the final consumer. Saleswise, the distributor contributes much by stocking products conveniently for the retailer or serviceman; by making it easy for the customer to order; by distributing sales helps for the manufacturer; and perhaps by giving credit and advice. This service is a whole lot for anyone to do on the small margin that the distributor receives. To expect him to do a job of introducing a new product is neither fair nor realistic.

Besides, the attempt to sell the distributor would again be just applying pressure; it would not build up suction. It was the serviceman we had to reach. If we could sell him on silica gel, there would be no resisting the suction he would bring to bear on the distributor, would would in turn transmit it to the manufacturer.

The problem of selling the serviceman was not simply one of numbers, of very many individuals scattered all over in every city and town. The problem was one of technique. Advertising, direct

mail, other promotions would help but we doubted that they would make the sale.

We needed a sales tool to direct at the serviceman, one that would bring forcefully to his attention the characteristics of silica gel that we wanted to impress upon him.

Through a group effort we devised a demonstration that we felt would intrigue any serviceman, and we worked it out with the research department. It was simple but that was the hard part of it, because simplification is almost always difficult to accomplish.

Our demonstration started with a supply of wet refrigerant, containing as much water as the chemical would take up in solution. In other words, the water did not show separately. This wet refrigerant could be drawn off through either of two outlets. One left it unchanged; the other passed it through a supply of silica gel.

Underneath was a receptacle of liquid, kept at -20°F . When the untreated refrigerant was released into this liquid, one could see immediately the formation of ice crystals. When the refrigerant which had gone through the silica gel was immersed, there were no ice crystals because there was no moisture to freeze. It was a forceful and vivid demonstration that the silica gel had removed the moisture which, if still there, would have frozen immediately after contact with the subzero liquid.

We had what we were sure was a way of selling the serviceman. But, you may have asked before this point in the chapter, what use would there be in getting the serviceman interested if there was nothing for him to buy, no silica gel cartridges on the market. Suction cannot operate on a vacuum.

So here was a real dilemma. There would be no supply without demand, and creation of demand would be a costly waste of time and money if there was no supply.

I had a glimmering of an idea, a way to stimulate both demand and supply at the same time. I went back to one of the manufacturers with whom I had already talked.

"Suppose," I said, "that I can show you without any cost to you whatever that the servicemen will buy silica gel cartridges, will you then put such a cartridge on the market?"

"Well, maybe," was the cautious reply. But he listened to my plan. I showed him the demonstration setup and told him that all I wanted was a four-foot square space in his booth at the forthcom-

ing refrigeration show, which many of the servicemen would be attending. I assured him I would draw crowds to his booth.

And that's the way it was. We were the hit of the show. Crowds saw the demonstration and listened to a talk on silica gel. The manufacturer was sold, he agreed to put out a silica gel cartridge, and we were on the way.

There was a great deal more to the job than that, of course. We did our mail campaign; we wrote articles; we gave talks before the technical societies and the servicemen's organizations; and we loaded the demonstration on cars and toured the country, holding meetings for distributors and service engineers. After that we always used the same approach, consistently hammering home the story based on the demonstration.

In about five months we had a position in the refrigerating service market that we have never lost. I can best tell what it is by means of a survey which showed that nine out of ten of the refrigerating servicemen were ordering silica gel by preference. The fact that we did the job in five months made it much more successful than if we had done it in three years. The refrigerating service market has grown tremendously since 1939, but so have other uses for silica gel. Our sales are up several thousand times. Our one sale to that one manufacturer, and over his shoulder to his customers, was the start of everything.

Before I decided to tell this story I thought about a number of others; some of them perhaps more spectacular at first glance. I remember a time in Detroit when I wanted to sell one of the biggest of all dealers in automobiles on using an undercoating we were putting on the market. Our arguments left him cold. One of my associates took out a wallet and began tossing 20-dollar bills, one by one, in the general direction of the door. The prospect's eye began to lighten.

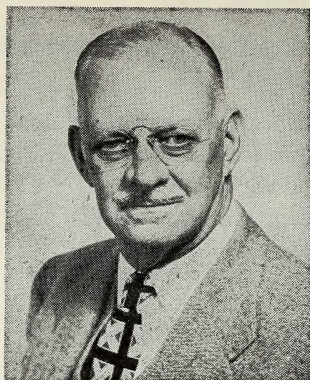
"What's the idea?" he asked.

"That's what you're losing," I said, "every time a car goes out of here without an undercoating job."

We made that sale, but the story doesn't prove much. Tricks are no substitute for sound selling, they depend too much on timing and moods for success and with some of your best prospects they just won't work at all. I think I can sum up what we did with

silica gel in the refrigerating service market in a few words that will apply to any sales job:

1. Know your product and what it will do.
2. Study your market and the individuals in it.
3. Find the forceful way to sell it.
4. Sell quality rather than price (if you can).
5. Apply suction rather than pressure.



P. VAL. KOLB

is President of Sterwin Chemicals, Inc., New York, subsidiary of Sterling Drug Inc., and a small town boy who has made good in the big city. Mr. Kolb became President of Sterwin Chemicals, Inc. when that company was formed in October of 1949. Previously he was divisional Vice-President of Winthrop Stearns, Inc., and Vice-President of General Drug Company, Inc.

Mr. Kolb began his business career as bill-and-profit clerk of the King Hardware Company, in Atlanta, Ga. Then he moved from Atlanta to Birmingham, Alabama, to work for the Tennessee Coal and Iron Company, a subsidiary of U.S. Steel. Starting as secretary to the general manager, he eventually became the general manager's assistant and supervised the rolling mills operated by the parent company.

During World War I, Mr. Kolb served in the Ordnance Department of the U.S. Army as special assistant to the chief of ordnance production with headquarters in Washington, D.C. After the war he started in business for himself in Birmingham in cotton and cotton linters.

In 1922 he moved to St. Louis to become Sales Manager of the Provident Chemical Works. He was President of this firm in 1932 when it was absorbed by the Monsanto Chemical Company.

At that time, Mr. Kolb moved to New York where after a short association with the American Agricultural Chemical Company he opened his own office as a dealer and sales agent in chemicals. In 1940 he became associated with the Winthrop Chemical Company as associate director in charge of marketing products to the food industry. This company became Winthrop-Stearns, Inc. and Mr. Kolb became a divisional vice-president in 1944.

It is interesting to note that while Mr. Kolb was handling sales for the Provident Chemical Works, the Graduate School of Business Administration of Harvard University devoted a chapter in a book on Mr. Kolb's methods for market analysis and technical sales policy.

18. I Have Nothing to Sell

SUPERSALESMAN is a term bandied about a great deal in selling. Personally, I scoff at the designation. In a lifetime of knocking about in the profession, and I do believe it is a profession, requiring as wholehearted a devotion as that of doctor or lawyer, I have achieved some of my important sales successes when I have called on people with "absolutely nothing to sell."

Let me explain quickly this seeming paradox by reporting a recent question asked of me by a young admirer, and my answer to it:

"How do you sell?" I was asked.

"I don't sell," I replied. "People buy from me."

Now I realize that my reply, with all its psychological implications, is common talk in selling. But, just the same there is encyclopedic information in it.

First of all, let it be understood that I am a proponent of and practitioner of factual selling, as distinguished from high pressure or emotional selling. Both have their place. But the difference should be clearly understood.

Perhaps, the easiest way to grasp the difference is through a quick glance at automobile salesmanship. You can, and very often do, sell a passenger car on brand name, appearance, color, or comfortable upholstery. In such cases, women are the chief buyers. The appeal is emotional. But when you sell a truck, you talk performance. You marshal facts on dependability and operating costs. You assemble figures gathered from actual tests. That's factual selling.

Four cardinal points in factual selling are: (1) establish confidence; (2) be well informed, not only on your own products and business, but also on your customers'; (3) think from your pro-

spective customers' point of view, not your own; (4) sell technical service, as well as specific products. There are many other rules to remember, too, including: never mislead; use tact and judgment; time yourself (never bore a prospect by overstaying on a call); give quick and able handling to every proposition or offer you make; and be observant. Above all, remember that facts establish confidence.

It is not always easy for the salesman to gather facts from prospective customers that will enable him to determine the best service that his product can render. Unfortunately, to their own detriment, some people do not treat the salesmen who call on them with any respect. They do not realize that it is to their advantage to try to keep salesmen informed and that they should talk to as well as listen to those whose business it is to call on them.

I recall one particularly mean customer. He seemed to take a sadistic pleasure in making salesmen cool their heels outside his office. So one day, after a particularly long wait, I observed with assumed naïveté:

"I see you do all your business by direct mail."

"Not at all," he replied quickly. "We have a large force of salesmen calling on our trade."

Then he caught on to what I meant, laughed, invited me into his office, and was most cordial and informative thereafter.

Another fellow would never ask me to sit down when I came to his office. Our visits were always hurried and I seemed to be getting nowhere. Because he made me stand in front of his desk, I couldn't help seeing one day the name under the glass top of one of his own good customers in another city. Visiting that city later I called on this other firm, where luckily I was able to establish a good contact. From this secondary source I acquired considerable interesting information. Next time I called on my "stand-up-and-be-damned" friend, I casually mentioned the name of this man and his firm.

"Do you know him?" he asked with fervor.

"Indeed I do," I said, and launched into telling some of the information I had gathered.

"Sit down," said he. The ice was broken and a happy relationship began.

If you are well informed and have previously established con-

fidence and follow the rules cited above, you can with all sincerity call on a customer with nothing to sell and come away with a contract or increased business.

Not long ago I was on the Pacific Coast. The president of a milling concern, which was giving us very little business, was a perfect target. I spent considerable time boning up on the particular account, and I pride myself in being informed on the milling business. I called for an appointment.

On the telephone I told him: "I just happen to be in California and I have long wanted to meet you. I have absolutely nothing to sell."

At his desk, I repeated the assertion that the call was personal and not concerned with business. We had a lively conversation about current conditions in his field. I was at great pains not to mention our business at all. But, as I had hoped, he did that for me.

"By the way," he said, "how much are we buying from you?"

"Very little," I replied and pulled from my pocket the exact records. The president scrutinized the papers carefully. I made no effort to press the matter. We shook hands cordially and I left.

Two months later our records showed our business with this concern had doubled.

In the course of that friendly conversation, when I had nothing to sell, I had passed along some very useful information. Through the careful habit of garnering facts and of being glad to pass them along in a spirit of providing technical service to customers, mutual profit resulted.

I have found through the years that customers and prospective customers help you as well as you help them when you call in this spirit of giving technical service. For instance, it was a prospective customer who helped what is now Sterwin Chemicals develop its original bread enrichment tablets that we call B-E-T-S.

With nothing specific to sell, I called on R. Wallace Mitchell, Director Products Control, Purity Baking Company. This company was a large factor in the field of food enrichment, which the Winthrop Chemical Company, Inc., a Sterwin predecessor, was entering. We had the vitamins to put into bread but had not arrived at a definite decision as to the best method for accomplishing the desired purpose.

During this call, it was Mr. Mitchell who suggested the idea of putting the vitamins in tablet form. My only contribution was to furnish quick action on his suggestion. Within 48 hours after the idea had been born, I was able to have in his plant sample tablets for testing.

Thus was a profitable new product born from a prospective customer's idea. He bought; he wasn't sold; and he has been a fine customer ever since.

Now let's go back a bit for an earlier, more complete exposition of the idea of this type of selling. I was general manager of a chemical company in St. Louis at the time. We were selling one of the large tooth-paste companies one of the chemical components used in the formula of its product. It was good steady business, and we should have been satisfied.

We were not satisfied, however, because we made it our business to keep informed about our customer's business. It was a sizable business and the potentials for increase were great, but we had learned that there was dissatisfaction with the product. It was being advertised as removing film from the teeth. That was correct. It was removing the film all right, but it was also so abrasive that it was taking along some of the enamel as well.

Our dealings had all been with the purchasing agent of this particular tooth-paste concern. Because we knew our customer well, we recognized right away that the problem of the formula was out of his hands. Its control was in the hands of a university professor of chemistry, their consultant. Without going over the head of the purchasing agent, but with his knowledge and permission, we called on the professor.

We had absolutely nothing to sell. However, we could, and did, offer the professor technical service. Our plant was at his disposal. We knew he was seeking to improve the quality of the tooth-paste formula, and we were supplying one of the ingredients. By the service we had given on that one item we had established the necessary confidence.

Woodrow Wilson's "14 Points" were big news at the time. The fact that the professor, on our second call, outlined 14 points he sought in a perfected tooth-paste remains vividly in my mind today.

Still having nothing to sell, we went back to our plant determined to help our customer. After some time and with the help of the

professor, whom we invited to our plant, we believed we had those 14 points covered. But even then we weren't ready. We set up elaborate testing devices, including machines that polished both soft and hard types of human teeth vigorously with standardized stiff bristled brushes to test the polishing and nonabrasive qualities of the new formula we had worked out with the help of the professor. Then we made up our own tooth paste with the new formula and made spot checks.

By this time the professor was right at home in our plant and had made it an extension of his own laboratory. We were spending our own money, however, and this research work finally cost us some \$60,000.

Only when we and the professor had agreed that we had a favorable product were we ready to go to the general manager of the tooth-paste company. The first deal we presented to him was an order for 500,000 pounds of our chemical compound, in order that he could do his own testing to prove for himself whether or not it had improved his product. We agreed that this amount would be sufficient for a year's tests in different areas of the country. It was proposed and accepted that the cost of our pilot plant equipment would be amortized over that period, and then we would discuss price and future contracts in quantity production.

The day came at last when we did have a product to sell. Our customer had approved the tests of the new formula we had created for him. We had created a desire to buy. We knew the firm wanted and needed what we had to sell. By having kept informed on the inside details of the company's operations as much as possible, we had a fair idea of what it could afford to pay.

We had worked out a price per pound that would represent profitable business for us. And remember, at this point, we didn't have to sell.

"How much?" asked the general manager.

"Eight cents a pound," I said, "for the first year, seven and a half cents a pound thereafter and an exclusive contract to furnish all your requirements for a three-year period."

"Sold," said the general manager.

Believe me we walked on air when we left that office. Our elation was justified. Our net profit from the contract was about \$250,000. The deal in all amounted to ten million pounds of

material, and our customer was completely satisfied. The new formula had restored confidence in our customer's product and more than doubled the company's sales and profits.

That's one example of technical sales service. It can be defined as finding a need for something and developing something to fill the need. You start with nothing to sell; and if you work at it in the right way, you may achieve greater success than you think.

It works in other ways, too. Often there is no need to develop anything as drastic as an entirely new formula. Almost anything can be improved upon. Provide the technical service to make those improvements, and you may even find that someone comes to you to buy. You help people increase their sales, and thereby increase your own.



GRAHAM PATTERSON

who heads the Philadelphia publishing company of "Farm Journal," America's largest rural magazine, and "Pathfinder," the news magazine of Main Street America, got off to the right start by being born on Christmas Day in 1881, in Pittsburgh, Pennsylvania. He graduated in 1904 from Cornell University, where he was business manager of the Cornell Year Book. He played on Cornell's baseball team and on the strength of his record received an offer from the famous Hugh Jennings to join his Baltimore Orioles professional team.

Mr. Patterson's early business career was spent as a representative of various magazines, and in 1918 he became publisher and president of the "Christian Herald" where he continued until 1935 when he was made publisher and president of the "Farm Journal." In 1943, this organization took over Pathfinder Magazine, Washington, D. C., and Graham Patterson became its publisher and president. In a few years he boosted its circulation from 400,000 to over 1,200,000. Small in size, but big in ideas he has an unusually active mind and body. Associates and competitors alike praise his innate liking and consideration for people, which have won him thousands of personal friends, from the lowest to the highest walks of life.

Despite the many demands on his time as publisher of two national magazines, he is active in a number of civic and philanthropic organizations. From 1944 to 1945 Mr. Patterson was president of the Poor Richard Club, Philadelphia, recognized as the outstanding advertising men's club of America. He also has been chairman of the Agricultural Committee for the C.E.D. (Committee for Economic Development) and is chairman of one of the important committees of the National Association of Manufacturers. He is chairman of the Advertising Federation of America.

19. Every Buyer Has a Soft Spot

I SUPPOSE that most salesmen, if asked to name their "toughest" sale, would choose the first time they succeeded in getting a prospect's name on the dotted line. A salesman's first sale, the feat that entitles him to call himself a salesman, has something that no future sale, no matter how large or important, seems to have. It may be because up to the moment that first customer signs the order, a salesman isn't quite sure it can be done. He's uncertain of his ability and his mind is a mixture of 90 per cent doubt and 10 per cent hope. He may be enthusiastic about the product or service he is selling; he may be equally sure that his prospect needs it and will benefit from it. But in his mind there is the smothering doubt that he will be able to convince his prospect that he *does* need it and that he *will* benefit from it. He doubts because this is his first sale and he has not yet been able to accomplish the feat. That psychological factor is a tremendous obstacle for the embryo salesman to hurdle, and it's no less formidable because it is psychological.

I've talked with many successful salesmen and they invariably admit that they were victims of this doubt complex at the start of their careers. I know of one highly successful salesman who, when he first started selling, used to walk around the block several times before calling on his prospect, inwardly hoping his prospect would be out when he had summoned up enough courage to call upon him. That man's sales since have run into millions of dollars and he now has a successful business of his own for which he does the bulk of the selling. He is independently wealthy, but continues to sell for the sheer joy and sense of accomplishment he finds in practicing salesmanship.

I was spared this period of doubt to a great extent only because

I was initiated into the job of selling more or less unwittingly. My first experience as a salesman was gained when I was not supposed to be a salesman. When I got my first order, it was not because I was consciously trying to get the order but because I was genuinely trying to be of service. It happened in my first job soon after graduation from Cornell University. I was appointed advertising manager with the Federal Electric Company of Chicago, whose business was the manufacture of electric signs. My duties comprised the writing of advertising and promotion material for the firm's customers. Among our customers were a number of electric companies, which received the same discount as the sign dealers, because they functioned as dealers for our signs.

One day I reasoned that if electric companies in Chicago found it advantageous to sell Federal signs, why shouldn't similar organizations in other cities? A series of folders and letters mailed to electric companies throughout the U.S. proved my idea was correct, and the Federal Company's business doubled in one year.

However, this did not establish me, even in my own mind, as a salesman. There are gifted advertising copy writers whose sales letters and other promotional creations have sold millions of dollars' worth of goods, yet who undoubtedly would prove complete duds at personal salesmanship out on the firing line. Various prospects visited the Federal company's offices to look over the stock of signs available, and frequently I found myself pinch-hitting for the floor salesmen if they were out when prospects called. Sometimes a prospect would want a certain type or size of sign that I felt would be inadequate for his purpose, and I'd tell him so. I sincerely wanted him to buy the sign that I believed would prove the best investment for him. I honestly believe that had my purpose been only to make a larger sale, my insincerity would have been apparent to my prospects and my lack of selling experience would have prevented me from getting their names on the proverbial dotted line. I was quite surprised and elated when I realized how frequently I had sold a customer a higher priced sign than he had contemplated buying. I experienced a stimulating sense of accomplishment. And from this I realized the tremendous value of sincerity in salesmanship; it is a lesson I have never forgotten.

That is why I believe, firmly, that one of the cardinal rules of successful salesmanship is sincerity. You cannot make your prospect

believe your product or service will serve him better than your competitor's unless you sincerely believe it will. And if you do believe it will, your sincerity will lend strength to your every selling argument.

Confidence in the product is another indispensable ingredient of successful selling; in fact, it is a handmaiden to sincerity. For if a salesman lacks complete confidence in the merit of his product, it obviously is impossible for him to be sincere in purpose. His purpose would have to be solely the attainment of a sale. And if a salesman does not have confidence in his product, how can he hope to inspire it in his prospect?

One highlight in my selling career, which I look back upon often with fond memories, is the occasion when I made my first major sale in the advertising business. It was not perhaps the hardest sale I ever made, but certainly it was the most thrilling. It occurred more than 40 years ago, back in 1907. I was then Chicago representative of the *Circle Magazine*, a new publication just being launched by the Funk & Wagnalls Company. Not only was my product new, I myself was new to the advertising business. The sale of advertising space in a new and untried magazine is never a sinecure. To me, an inexperienced salesman, it seemed a herculean task indeed. There were scores of other magazines, competing for the business of national advertisers, magazines that were long established, with clearly defined markets to offer, and represented by veteran salesmen well skilled in the art of persuasion.

To make the situation worse, the new magazine was to be launched with the December issue, and I was told that budgets of most national advertisers had already been set up and approved. Ordinarily, my calls should have been on the advertising manager and my prospects' agencies, but here was a case where "ignorance was bliss." Not knowing any better, I called on the president, sales managers, and other top officials.

The front cover of the new magazine was a magnificent drawing of Santa Claus in four colors by Leyendecker. At that time, Leyendecker was a comparative unknown, and for this reason, his work, although even then outstanding, was not commanding the fabulous prices it won him in later years. I decided that, if I were to successfully sell advertising in the new magazine against the stiff competition I faced, I would need something more than any

unproved selling ability I might possess. I put myself in the advertisers' place, and asked myself why they should advertise in the *Circle Magazine*. In other words, instead of dwelling upon the extremely pleasant results *for me* if they advertised in my magazine, I concentrated upon the benefits *they* would derive. It was because of this trend of thought that the idea came to me. I was entranced with the beautiful Leyendecker painting for the front cover, and speculated upon how effective such a magnificent illustration could be in selling advertisers' products. But, obviously, not every product lent itself to gift giving. Looking over other magazines, I came across an advertisement of the Parker Pen Company, of Janesville, Wisconsin. A fountain pen! Of course! A perfect gift for Christmas.

What a magnificent advertisement it would be for Parker Pens if Leyendecker's Santa Claus were shown holding a Parker. That would mean repeating the front cover illustration on the back cover, of course, and I was especially anxious to find a buyer for the back cover. Such a thing had never been done before to my knowledge, but I saw in that no reason why it couldn't be done. It would mean that the back cover would be the same as the front, except for the name of the magazine, and the addition of a fountain pen to the illustration.

Time was limited, for the closing date was drawing near, and this fact might have deterred me had I been less enthusiastic over the idea I had hit upon. I jumped the first available train for Janesville and presented my idea to Mr. George S. Parker, head of the pen company. Mr. Parker shrewdly recognized the merit of the idea, but I do believe that his decision sprang, at least in part, from the enthusiasm and sincerity with which I presented it. At any rate, he bought the back cover.

The importance of this sale to me lay in its tremendous moral effect. It gave me a confidence I had never known before. In later years, Mr. Parker mentioned the incident, telling how amused he was that day when he saw me walking down the street with the order in my pocket. He said I seemed to be walking on air. And indeed I was. As a matter of fact, this order proved so inspiring to me that I personally sold 72 per cent of all the advertising space in that first issue of the *Circle Magazine*.

It goes without saying that a salesman should always studiously

avoid offending his prospect in any way, for a sale is always easier to make when the prospect likes you, or at least has no reason to feel any animosity toward you. But there are times when you can take the risk of offending. It is a calculated risk, the same kind that the general takes in battle when there is a risk of heavy losses but the very daring of the risk increases the chances of victory.

I can best illustrate this "calculated risk" idea by reciting my experience some years ago with General Robert E. Wood, president of Sears, Roebuck & Company. This event occurred back in 1935 when I became publisher of the *Farm Journal*. I called upon General Wood principally to tell him of my plans for the *Farm Journal*, and indirectly to interest him in the opportunity that Sears, Roebuck would have to tell its story to the nation's farmers by advertising in our magazine. I told the General of our circulation of a million (it's almost three million today) and about my plans to give agricultural America a unique "4-day-writer-to-reader" service. I was arranging to scrap our own presses and have my magazine printed in Chicago, in the world's finest printing plant, which could give the super-fast service I felt the farmers needed. I believed it was not enough to get the facts for the farmers; it was equally important that the farmers get those facts in time to benefit from them. Ordinarily a magazine reaches its subscribers weeks after the forms have closed. By our unique and exclusive publishing schedule, *Farm Journal* closes on a Thursday and by the following Monday, four days later, it is being read by farm families all over the nation.

I pointed all this out to General Wood, told him of the great affection in which *Farm Journal* was held by America's farm families, and stressed that it was impossible to reach agricultural America effectively except through its own press.

The General listened courteously and patiently, and when I had finished, pointed to a Sears, Roebuck catalogue on his desk and said, "Young man, there is our advertising. We have six million dollars invested in our catalogues." I replied, "General, you have a magnificent retail store here in Chicago. Your store itself, its beautiful window displays, its staff of courteous and efficient sales clerks, are all part of your advertising, too. But you are not content with that. You don't wait and hope customers will come in. You are carrying many pages of advertising in the Chicago papers to

tell the public of what your store has to offer. Your advertising in *Farm Journal* will accomplish the same purpose. It will bring your farm customers to your catalogue and make them consult and use it more frequently, so that your catalogues, each copy of which is in effect an individual store, will prove a more profitable investment for you."

The General maintained that the two situations were different, and since I was convinced there was little if any possibility of changing his mind, I decided to take a "calculated risk." I said, "General, will you promise me that you will not advertise in *any* farm magazine for at least ten years?" His keen eyes surveyed me quizzically as he asked me why. "If you promise me," I said, "that you won't advertise in any farm magazine for at least ten years, I'm going right out and buy some Montgomery Ward stock." "We'll beat you," he said, or something to that effect. "No, you won't," I challenged him, "especially if Montgomery Ward promotes the use of its catalogue through advertising in a national farm magazine."

Fortunately for me, General Wood was a man with a sense of humor and honest principles, and he admired honest principles in others. He laughed good-naturedly and said, "Young man, I like a fighter."

I did not come away with the order I was after, but Sears, Roebuck did advertise in *Farm Journal* later. Whenever I meet General Wood, he greets me with "How's the young fighting cock today?"

I ran a calculated risk, of course, in so defiantly challenging the reasoning of General Wood, but I did so because I was sincerely convinced I was right and that my magazine would prove an effective salesman for Sears, Roebuck.

This incident serves also to illustrate something I have always maintained—that no one is antagonistic just for the sake of being antagonistic. Everybody has a soft spot, even the so-called "tough" prospects, and if one line of reasoning or approach won't reach that soft spot, another will. No matter how gruff you may think your prospect is, he is willing to like you if you will let him; and the best way to let him is for you to like him. I've called on many really formidable people in my time, men who caused fear and trembling among the salesmen calling on them, and I can honestly

say I've never met one yet that I could not bring myself to like. Some of them later developed into my best friends.

A very important factor to remember is this: If and when you do succeed in making a so-called "tough" prospect like you, you will find he will "lean" toward you and make your selling less difficult. The fact that he is considered difficult by other salesmen means that when you do reach the "inner circle" you will find much less competition.

You will find that if a prospect is not interested in your product, it is not because he has something against you personally; but because you have failed to convince him. He has a job to do, the same as you. It's your job to sell him, but it's also his job to refuse to buy unless he is convinced your product will benefit his business. Once you do convince him of this, he will be just as anxious to buy as you are to sell. It's your problem to learn how best to convince him, and to do this, you must know your product intimately and have something more than a surface knowledge of your prospect's problems and needs. For all your thinking must be from your prospect's viewpoint and why and how your product will help *him*.

To do this, it is necessary to put yourself in your prospect's shoes; think of yourself as a buyer of your product rather than a seller. Ask yourself "What will this product do for me? Why should I use it? What disadvantage is there for me and my firm in not using it? What advantages would there be in using it?" If you can convince yourself that you should buy it if you were the buyer, the same line of reasoning you used on yourself should prove equally effective on your prospect. Present your case so that your prospect buys rather than is sold.

In addition to having a thorough knowledge and understanding of your product and its uses and a sincere belief in the advantages it will offer your customers, there are some other factors that are important in successful sales work. If a young salesman were to ask me how best to approach his prospects, I would emphasize the great importance of his own personal deportment when making calls. Cleanliness, courtesy, and friendliness are important in the cultivating of a friendly receptive attitude on the part of the prospect toward you. If for some reason he feels unfriendly or antagonistic toward you personally, your product is immediately

handicapped in the presentation of its story. No one is unfriendly just for the sake of being unfriendly; if your prospect appears to be unfriendly, it probably is because of something in your manner, appearance, or approach.

Never, never, never interrupt him when he is speaking. In the first place, it's rude; in the second place, it's foolish, for you are depriving yourself of an opportunity to discover how best to sell him. Try not to be overanxious. Be a good listener; let your prospect talk, for he will unwittingly give you good information on how best to make your sales points coincide with his thinking. Let him talk, and very often you'll find he will sell himself. Interrupting may gain you the floor, but lose you the order.



RICHARD NEISON WISHBONE HARRIS

the president of the Toni Company, Chicago, Ill., founded and serves as President of The Toni Company, a division of the Gillette Safety Razor Company, and manufacturer of the Toni Home Permanent Wave Kit, Toni Creme Shampoo and Toni Creme Rinse. At 35 he is one of the nation's youngest executives. He was born January 24, 1915 in St. Paul, Minnesota and graduated from Yale, where he wrestled and played football and made a good scholastic record.

He refused an easy spot in his father's woolen manufacturing business because, "I wanted to move under my own power." Instead he went into partnership in a small beauty-shop supply house, Noma, which he built into a moderately successful business over a period of seven years. He made many friends and learned about hair, its structure, and what women really want in a permanent, but he lost \$25,000 in 1943 when he tried to launch a 25-cent home permanent wave kit, RolWav.

He succeeded when he realized that cracking the tremendous potential home wave market would require a kit with professional-like ingredients and professional-like packaging. Mr. Harris started the Toni Company in 1944 with \$1,000 capital, and in six years he has sold 100 million home permanent wave kits to American women. In January, 1948 he sold Toni to the Gillette Safety Razor Company, but he still heads the Toni business and is a member of Gillette's board of directors.

Mr. Harris lives in Highland Park, Illinois with his wife and three children. His youngest girl, two years old, is named Toni.

20. Ten Vital Points of Successful Selling

YOU'VE HEARD many people claim that you cannot learn by someone else's experience. Some even doubt if you can learn from your *own* experience.

If I'd taken either of these theories seriously, I would have "flunked" my first two lessons in salesmanship and the TONI Home Permanent Wave would never have curled a single hair on the heads of our lovely American women.

I was born into a family of salesmen with my father as head salesman and chief tutor. It was he who taught me my first lesson in successful selling. Summed up in a phrase, it goes like this: *recognize and capitalize on the full potential of your market.*

Dad supplies woollens for custom tailors. He's the head of the William Harris Woolen Company of St. Paul, Minnesota, a wool-jobbing firm he founded when he was 18 years old.

After he'd been in business a number of years, manufacturers began making ready-to-wear suits. You can imagine the vast new market this innovation opened up. For the first time the man in the street could buy his clothes ready-made at the lower prices mass production makes possible.

But dad didn't get in on this market. His business was profitable and sound. So despite the fact that his market became progressively narrower and more exclusive, he stuck to it.

Of course there will always be a demand for fine woollens for made-to-order clothing. That's why the Harris Woolen Company continued to thrive until today it's the largest of its kind outside New York City. But that is somewhat beside the point. A new mass market had been created and dad did not take advantage of it. He missed a good bet and he knew it, or at least he knows it now. And that's where my first lesson came in.

I remember hearing him say over and over again that if he had realized the full potential of his market, he could have gotten in on the ground floor and possibly have made millions!

Dad is a success, a double success in fact. He stuck to a limited market and rose to the top of it. At the same time he discovered the advantages of an expanded market and helped his sons profit by that knowledge.

So, the fact that my market is a mass market is not entirely accidental. The experience and advice of my father pointed the way.

Not that I heeded his good advice immediately. My first market, too, was a specialized one. For six years, I sold heating pads, curlers, wave lotions, and other permanent waving supplies to beauty shops. But I have never regretted this time spent with a smaller market.

I learned about hair and I learned about women; both are now my stock in trade!

I came to the realization that there were about 36 million American women who, for lack of time or money or both, had never been to a beauty shop and had never had their hair waved. And there was nearly an equal number getting waves in beauty shops. Both groups comprised my potential mass market.

Since the hair waving process is relatively simple, I knew that women could easily give themselves permanents at home. I didn't discover this idea entirely by myself. At the time, there were already three brands of home permanent kits on sale.

Yet this vast potential market was still little more than just that—potential. The need for the product was there all right, but the demand lagged.

Here then was a wide-open and widespread market just waiting to be captured by a satisfying product!

Remembering the words of my father, I applied "lesson one." I recognized the market potential and proceeded, I thought, to capitalize on it.

But it was here that I learned "lesson two." Like most self-learned lessons, it proved to be a bitter one for it was founded on failure.

Spotting a market was one thing, but capitalizing on it, I found, was something else again. As I said, the experience was bitter; to

youth, every setback looks like disaster. But it was a profitable disaster, for it hammered home to me ten of the vital points of successful selling:

1. You can't go off "half-cocked."
2. Your product must be *good*.
3. You must do an *educational* selling job.
4. You must have an *aggressive sales policy*.
5. Don't start "too big."
6. Think of your market in terms of *individuals*, not cold statistics.
7. Your idea must be *right*.
8. Your product must fill a need, economic or otherwise.
9. You must have confidence in your product.
10. You must keep ahead of your competition.

Of course, I'm speaking in terms of selling home permanents. That's the field where my own selling experience lies. But I believe that most of the things I learned from my "second lesson" hold true for almost any other product and every other salesman.

Here's how I learned my second lesson. In 1943, after I had "discovered" my market, I rushed to put my product out. I scrambled together a home permanent kit called RolWav. The kit contained powders, instructions, and a set of fiber curlers.

To sell RolWav, I advertised it as a mail-order product in national magazines. Then I cleared a path to my door to make it easier for the mail trucks to roll up with my orders.

The first day, the postman staggered up with six. After that, business began to slow down! RolWav shortly folded, taking \$25,000 with it.

A great deal sobered, I sat back and tried to think what had gone wrong. Obviously, I'd done a good many things I shouldn't have, and omitted others that I should have done.

When I put TONI on the market, I didn't make the same mistakes again.

Here's what RolWav taught me:

You can't go off "half-cocked." With RolWav, I had no specialized merchandising policy, no plan of attack. I plunged in without the careful planning every new product needs. Failure to analyze my market was my first pitfall.

Women could not accept the idea of giving themselves a per-

manent wave at home. Beauty culture was a mystery whose answer was known only to the beauty shop operator. I had expected women to get the full impact of the idea all by themselves. I'd merely put my product together and thrown it on the market, expecting it to sell itself.

In order to sell a product, I learned, you have to *know* what you are doing. You must plan your attack on a good, sound selling policy.

Your product must be good. RolWav frankly wasn't. As packaged, it could not guarantee a satisfactory home wave. Too much was left for the unskilled hand. The user had to dissolve the powders herself, for example, and that left an awful lot up to chance, improper solutions and disappointing permanents.

I had not waited to research and perfect my product. It simply was not good and got the fate it deserved.

Before I put TONI on the market, we spent months in extensive research, testing and rejecting, testing and perfecting. The trial and error took place in the laboratory, not in the home. The TONI that came out of all this research *was* good; it promised each woman a natural looking wave at home at a price she could afford and kept that promise. It gave her at least as good a wave as she could get in a beauty shop and at considerably less cost.

You must do an educational selling job. How I had expected the women of America to take immediately and automatically to the home permanent idea, I'll never know! Almost everyone is afraid to experiment with unknown chemicals, especially on themselves. Understandably, there are not many women who will try something new on their hair until they are well convinced that it will do no harm.

You can't expect people to use your product unless they know what it is. This I found out!

After my fiasco with RolWav, I knew I had to go out and *sell* my home permanent. When TONI was ready, I took some kits into stores. The salesgirls were my first target. I told them all about TONI and offered to wave their hair myself. Quite a few accepted and I was able to demonstrate my product right in the store.

Then when customers asked, "*What's a TONI?*" these salesgirls could *show* them as well as tell them!

You must have an aggressive sales policy. After I learned that my home permanents weren't going to sell themselves, I got down to brass tacks and developed a real selling program.

It wasn't easy! My first call as a TONI salesman was on the president of a large drug chain whom I selected because he was an old friend of my father's. This I thought would be the ice breaker.

Not a chance. His first words were: "Well, Neison, I'll be glad to buy anything you have to sell, except one of those home wave kits. Nobody wants 'em!"

The next several calls I made were even less promising. With three other brands of permanent wave kits languishing on the shelves, TONI and I were hardly welcomed with enthusiasm.

I finally made a few sales but here's what I had to do! I offered to meet dealers on any terms they chose, sometimes selling on consignment, sometimes on pay on reorder, sometimes on guaranteed sale promising refunds on unsold merchandise.

I still met considerable resistance. So I followed up with this offer: "Put \$100 worth of TONI kits on your shelves," I'd tell a dealer, "and I'll take out \$100 worth of advertising and run it under your name. If they don't sell, I'll be out the money. If they do, I'll get my money back and you'll have your profits. Either way, you can't lose. What do you say?"

Most of them said "yes" and never regretted it. They didn't have to be cajoled into reordering the next time I came around. And I came around often.

That transaction brings up another important technique, one that TONI has never abandoned. In order to sell, you must get in and *pitch*. You have to be forceful and you have to be fair. But it is very important to see that your dealers are competently covered and faithfully serviced.

Today, 10,000 of our largest traffic units are contacted every six weeks. Sixty thousand others are personally contacted by our salesmen twice a year.

Another essential in our merchandising policy is to assure our dealers an adequate profit margin.

An aggressive sales policy pays off. Frequent contact with dealers is a must if you want to keep your product out in front. TONI is prominently displayed in almost all our outlets. And clerk education continues to be an integral part of our sales policy.

Don't start "too big." I sank \$25,000 into RolWav and immediately tried to market it nationally. I learned my lesson. With TONI, I began with just a \$1,000 investment. No more money went into the business except "earned" money out of product profits.

Also I limited myself to one locality, St. Paul, covering that city thoroughly before I began branching out into other parts of the country. Not until two years later did TONI reach New York.

TONI's beginning was small, but sound. I took only one step at a time. That way I was able to overcome resistance and recover from temporary setbacks without being thrown back on my heels.

My second lesson taught me that it's not only easier but much smarter to start small and grow. When you start too big, the direction you usually go is down!

Think of your market in terms of individuals not cold statistics. When I launched RolWav into that potential market I was peering through glasses that not only were rose-colored but that also had defective lenses. All I could see were rows and rows of well-curled heads but no faces beneath them.

What I didn't realize then was that my market consisted of women, not tresses. Jane gives herself a home permanent wave and if she's pleased with the results, she'll tell every member of her club. If she's not pleased, she'll tell them *that*, too!

And Jane's hard to please. Like every woman, she has a special hair problem. And, like every woman, she wants soft, naturally curly hair.

To make sure Jane is *always* pleased with TONI, we are constantly seeking ways of improving our product. We invite Jane to tell us her ideas and suggestions. She might even be one of the hundreds of women who visit our Beauty Clinic to help in projects for a still better TONI.

The Beauty Clinic already has brought forth several major improvements. Two new products, a creme shampoo and a creme rinse, are the results of never-ending research in a desire to please Jane.

In order to sell, you must keep in mind the person using your product. Salesmen ask satisfied customers to "tell your friends," sometimes forgetting that dissatisfied customers are not particularly reticent.

Your idea must be right. This is the “who needs it” and “why” of your product. If your idea is right, people will want your product for reasons of very real importance to them.

The TONI home permanent, for example, is a product that perhaps is more essential to women than any other beauty-aid. I recognized this when I first recognized my market. But it took the sound sales and advertising campaign of a good product like TONI rather than my first, ill-fated venture to give meaning to the idea.

A salesman must know the *selling points* of his product. If his idea is right, his selling points will be right. They may have to be pointed up and dramatized, but they will sell your product.

Some selling points used in promoting TONI are:

It's as easy as putting your hair up in curlers.

By giving yourself a wave at home you can do it at your own convenience and go on about your housework while your wave is “taking.”

TONI gives you a soft, natural wave with just as much curl as you desire.

I mention these only as points that “hit home.” They make sense to the consumer because they are specific and realistic. They fit into real-life situations and answer universal needs.

Your product must fill a need, economic or otherwise. If your product saves the buyer money or offers true value, it should sell. If it does both, you're really in!

I sold RolWav for 25 cents a kit, a bargain! But as I said, it was not a good product so it was really not a bargain at all. TONI, which sells for \$2.29, for the complete kit, and \$1.00 for the refill, is a good product, giving true value, and it sells for much less than a beauty shop permanent.

We set a price we felt most women could afford. Large volume sales have proven that TONI has filled a great economic need. TONI has tapped a market of women who *want* wavy hair but cannot afford beauty shop prices.

If people *need* your product, they will buy it. If your price is one that more people can afford, more people will buy it. When your product fills a real need, it performs a service the public is willing, indeed anxious, to pay for.

You must have confidence in your product. Next to our faith in the quality of our product, I think our faith in home waving as a

durable, salable idea was the most important belief held by my associates and myself.

Our policy decisions grew from this double confidence. All our early earnings were ploughed back into building the home-waving habit through effective advertising and aggressive sales.

There is a strong temptation to latch on to a "fad" product that sells well for a short time and then fades out. Salesmen who are caught up in this sort of thing rarely have a sustained and growing sales record; selling for them is a series of ups and downs, with many more downs than ups.

Confidence in your product is the key to effective selling. You must believe in your item and sell it any time, anywhere, and under almost any conditions.

I remember the time I tried to sell TONI to an influential drug buyer who was hard of hearing. In the midst of what I thought was my best sales talk, he detached his hearing aid and in obvious relief blandly swung it through the air by its cord, like a kid with a yo-yo!

I kept right on talking. Maybe he could read lips! I knew I had something he could use and would really want if he gave it and me a chance.

He continued blithely to ignore me, however. I was about to throw in the towel when in walked a clerk with a brace of pheasants that someone had sent the president. This brought him back to life. He reset the hearing aid and I had a new opening. I wasn't raised in a pheasant hunting area for nothing. If I couldn't talk TONI, I'd talk "turkey." And I did for about half an hour.

I finally got him back to TONI and later walked out with an order.

I'm not sure, but I like to think that it was my confidence in my product that kept me talking!

You must keep ahead of the competition. That's an axiom no one will contest. How to do it is another thing. We at TONI are doing it through our research program. In addition to the Beauty Clinic where our improvements are proven by performance, we have a staff of 75 trained scientists and make use of the facilities of several leading universities and two outside research laboratories.

We have set out to learn everything there is to know about hair and hair beauty aids.

To keep ahead of the competition, you must be continually on the alert, continually forging ahead. "Improve" is the key word. A constantly better product, better packaging, better merchandising, and better advertising, together with aggressive and imaginative selling keyed to the changing needs of your market, are the things that spell success.

I learned that the worst thing a salesman or a company can do is to become complacent. The minute you stand still, someone catches up with you and passes you.

I don't think there has ever been an "effective selling" story without effective advertising. TONI of course is a well-known case in point.

A good product may sell itself on repeat sales, but how do you make that *first* sale? That's where hard-hitting, realistic consumer advertising comes in. Particularly with a new product you must inform before you can sell. And even when your product becomes established, new customers reach the "buying age" every day. So your educational campaign must be a never-ending one. Your competitors never let up. Neither should you.

Get your message across to the public. Get it across dramatically and truthfully.

"Which Twin Has the Toni?" That's an eye-catching slogan, but it is much more than that. It is the nucleus of a campaign to get our message right into the home and the pocket-book of the consumer. The picture of the twins dramatically proves the authenticity of the copy beneath it.

The potential customer has as much trouble as you do in distinguishing which is the beauty-shop wave and which is the home wave that she, too, can have at a fraction of the cost. There is no difference.

But there is a difference in sales. Anyone interested in doing a good selling job must do an important part of that job through effective advertising.

Yes, I learned salesmanship through my father's experience and my own, the latter the hard way. Because I do believe you can learn by someone else's experience, I am hoping you can profit from my mistakes.

My lessons in salesmanship have given me a deep respect for the

sales profession, a profession that each day offers a fresh challenge that you dare not evade. Selling offers the salesman no "quarter." When it hits you, it hits hard and unmercifully; when you hit back to win, the rewards are unmatched by anything else in life.



Fabian Bachrach

E. GORDON BIGGS

is Vice-President of H. D. Justi & Son, Inc., Philadelphia, Pa. Born in 1910, and a resident of Baltimore until 1944, he showed his first interest in the direction of radio when he began to work at the age of eleven after school hours in a radio shop, winding transformers and doing assembly work. This technical flair was developed from 1925 to 1929 at the Baltimore Polytechnic Institute of Engineering. During summer vacations, however, these original inclinations were diluted in favor of sales and promotion work. This sales interest had crystallized by 1929, when Mr. Biggs entered the Johns Hopkins University and matriculated for a course in business administration. He graduated with a B.S. degree in 1932. During college years and between school sessions, part-time positions were held with the Eureka Vacuum Cleaner Company, Premier Vacuum Cleaner Company, Commercial Finance Company, Mitchell & Norwig (Jewelry Manufacturing), Liggett & Meyers, Cluett Peabody, and later full time with the Equitable Life Assurance Society.

In 1934, previous technical and sales experience permitted Mr. Biggs to participate in the active promotion and introduction of a new dental alloy. This material was offered to the dental profession through dental laboratories. General promotion work was continued in the dental laboratory field until 1941 when he joined the sales staff of H. D. Justi & Son, Inc. In 1943 he was made Wholesale Manager; in 1946 General Sales Manager; and in 1947 Vice-President and Director of Sales.

21. Management vs a Hard-Hitting Sales Force

ONE BRIGHT Spring morning one of our division managers laid a set of facts before me that brought me face to face with the most challenging sale of my life.

"Here's our problem," he said. "First of all, the boys don't like the idea of so much doorbell pushing. They don't think the results are as good as they were when group demonstrations were given. In addition to this, they seem to think they lose a lot of interviews by scaring the customer with the sample bag they have to carry into his office."

I explained that our home-office professional and technical staff had been set up to handle demonstrations and teaching assignments, thereby leaving salesmen free for follow-up and direct selling. Immediately I got another reaction.

"That's something else I wanted to talk about," he said. "Those dentists and technical people you have hired are creating a problem in the minds of the salesmen. Sure, we all know that they give courses and teach our customers how to use our products, but by and large no one is at all convinced that they sell any merchandise."

"But," I parried, "isn't this a problem that rightly belongs in the hands of management without a reaction or rebuttal from the sales force?" At this point, there was considerable pro-and-con conversation on that particular subject, but it became quite apparent our salesmen considered the over-all sales budget and its allocation a part of their business in which they should have some voice.

As the discussion continued, another circumstance came to the surface. I could see that there was little effort on the part of this division manager, and I sensed it as being true with the others, to understand or support the home-office program. There was no lack of enthusiasm for selling, but these managers were obviously

championing the wiles, wishes, and desires, either real or imaginary, of the men in the field.

From this set of circumstances I groomed myself for the most important sale I had ever tackled in ten years with the company, namely management versus a hard-hitting and successful sales force. This sale had to be clinched so as to consolidate management's decisions with the field effort.

On the home-office staff I had three dentists and one technical man. One of these dentists handled professional and trade relations (public relations). Two others directed the educational program to the profession, and the technician directed our dental laboratory program. At one time or another as these men had been added to the staff, their acceptance by the salesmen had been questionable in spite of the fact that the prime purpose of their addition was to implement the sales effort in the field.

Our sales conferences were usually held in the fall, so I immediately called the home-office staff together and assigned them the responsibility of preparing a sales training program that would be built around (1) selling on a man-to-man basis; (2) selling from a well-planned sales kit; (3) selling with the home-office staff; (4) selling with division management.

Each of the home-office staff had been chosen for his part in this program through some outstanding qualification of his own, so assignments were easily allocated. In addition, all of these men had had special sales training outside of our own, consequently fundamental sales principles were not new or strange to them. Their job was simply to apply these principles to our business, the dental business.

One dentist on our staff raised the question as to whether or not we could apply straight selling principles to our business inasmuch as we were dealing with professional men. I pointed out that the group to which we were selling, regardless of their vocation or profession, would all react in an identical manner when the fundamental principles of selling were applied to the products within their field of operation.

Since we expected to be on the spot, every man knew it would be necessary to back up his presentation with practical illustrations, because we would be attempting to convince pretty well seasoned and successful salesmen. In addition to this, I knew we would

have to evaluate our course at the very beginning in terms that they would understand. The sales force represented a tough customer with a closed mind, and if we expected to capture their attention, the package would have to be attractive.

So, by previous calculation, it was found that the cost of our sales training program, broken down over our entire sales organization, amounted to approximately \$2,200 per man. This is an impressive amount of money for a one-week sales training course, so I pointed out that this sum was equivalent to the cost of four years' tuition in a top-flight university. This initial thrust caused an immediate shift in the direction of pencils and note paper. The course was a solidly packed one-week program and would be given four weeks consecutively, with four men in each class. We purposely broke it down into four men in each class so that the salesmen would never outnumber the staff of instructors. When salesmen were assigned to classes we carefully avoided the inclusion of a division manager with any of the salesmen from his division. This maneuver simply gave us an additional edge by avoiding any chance of off-the-record distortion or dilution.

The opening of the first class brought up an interesting question. One of our best salesmen asked, "How can we make a definite number of calls every day and tell a complete story on any one feature of our line in each instance?" He pointed out that one of our most important stories required at the very minimum 20 minutes, and that the average dentist just would not give up 20 minutes out of a busy day's work.

The latter part of this statement of course was true, but in the second day of the course this story, along with many others, was condensed from what originally was a 20-minute story down to one and a half to five minutes, including an effective approach, demonstration, and close.

Everything moved along rather smoothly until about noon on Wednesday, the third day, when one of the boys took the floor and said, "This stuff is terrific, and I can see that we could make the required number of calls each day with a good story on each call, but we haven't got the props for such a fast story. We just can't use our own literature to fill in the gaps and expect to close a sale."

This reaction was expected because up until then they had been equipped with motion pictures and other materials that were

designed for two- and three-hour group demonstrations but had little or no value on an average office call. Consequently, when office calls were made, the salesmen felt that a lengthy, detailed explanation was necessary. As a result of this feeling, they were often discouraged by customers who would not grant them the time in the first place or would shut them off before they had a chance to close.

This late outburst was very gratifying because it proved that our timing was correct. We told the boys to hold their fire until after lunch when we would let them have the *pièce de resistance*.

It was then that I took the part of a field salesman making an actual call on one of our staff dentists. With me I carried a beautiful custom-built leather bag that was both rich in appearance and intriguing in design. This call was to be a three-minute interview, when I would approach, demonstrate, and close with the customer on the leading item in our line. This customer was posed as a busy man who would not permit me to open the case because he feared it would take too much time away from his work, but this case was designed to permit me to unsheath the sales item by drawing it quickly from the center section as I placed the case on the floor without opening the case. So with this action I began my approach. "Dr. Kind, when a new denture patient returns for a check-up or adjustment and enthusiastically tells you that his new teeth look just like his very own, and that he is so confident and happy that he wants to smile all the time, you feel pretty good about it, don't you?"

"I sure do," said Dr. Kind.

"Well, wouldn't it be wonderful if you could produce such a result and reaction constantly by some method other than trial and error?"

"Yes, indeed it would," said the doctor.

"Well, Doctor, it can be done by the use of this mold selector which, as you see, indicates that the length and breadth of a tooth should correspond to the length and breadth of the skeletal frame. It is simply one of the F.B.I. systems of crime detection in reverse. As you know, if they should find a few teeth in a fragment of a jaw bone, it is very easy for them to reconstruct the entire skeletal frame of the individual to whom they belong. It therefore stands to reason that by observing the frame you can easily predict the

proportionate tooth form that would harmonize. Isn't that true, Doctor?"

"Yes, that makes good sense," said the doctor.

"Well, I can promise you that both you and your patients will benefit through the use of this mold selector. You will not only save time but your patients will be happy in the feeling that their teeth conform and harmonize with their over-all appearance. This will avoid a shocking display of artificiality that is often costly to your future and invariably embarrassing to the patient."

"What would this outfit cost me?" asked the doctor.

"Just the cost of the actual sets of teeth involved in the mold selector."

"Okay, you can send me one through my dealer."

Then, while he was studying his purchase, I opened my case in order to get my order book. The case was left open purposely because there was a display of some very unusual teeth that had been oddly contoured to reproduce natural effects found in human teeth. The curiosity of the customer was aroused so he began to handle and look over these samples while I was writing the order. This, incidentally, is a big help because there is always a strained period immediately following the close of a sale and during the order writing if the customer has nothing to do but sit or stand and wonder whether he has made a good purchase. This interview, up to the point of close, took exactly three minutes.

Then came a very interesting development. The very busy doctor, who could not spare me the time for a complete display of my wares, held a set of these odd teeth in his hand and asked, "What kind of teeth are these?"

"Oh, those are some teeth made by Dr. Good."

"Who is Doctor Good?"

"He is a dentist we have known very well for a long time. He has a practice over in Joytown. As a matter of fact, I would judge that it is about the same type of practice that you have. Last time I was in his office he told me that during the past three years his denture practice has more than doubled and all because of the alteration he is making on our teeth, such as you see there. That is the reason I called them Dr. Good's teeth, because when he alters them in that manner they can no longer be identified as a stock tooth from a manufacturer, because they take on some individuality

that is appropriate to the patient. In addition to this, he still goes further by making some color alterations, using the stains that you see here in this character kit."

At this point we have moved on to another sale. The piece of merchandise is right there and alongside of that is a built-in view box where we display color slides of actual cases in mouth use.

This sales kit was designed for progressive and creative selling. Once it is opened, the customer is vulnerable for sales that run from \$1.50, to \$7.50, \$16.20, or \$42.00, and up as high as \$107.60, and all the time the sales story stays on the track.

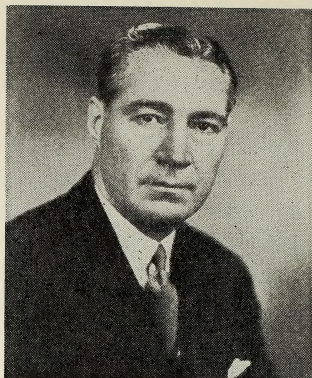
We had several of these demonstrations, and then there was a practice session for each of the boys. Enthusiasm was running so high toward the end of the practice session that each and every one of them were eager to get out on the road with this new sales talk and put it into action.

The most striking example of the success of our entire conference, however, came when the oldest salesman in the field conformed to such an extent that he took the first prize offered for the best presentation from the new sales kit during a practice session. In addition to this, after he was out in the field for two weeks, he wrote to the office and said, "I want to tell you something. This outfit makes work a pleasure for me. I used to have trouble getting into dental offices. Now I have trouble getting out of them!"

This bill of goods was sold right up to the hilt, and as a result we gained (1) respect for the home-office team; (2) more salesmanship and less politics out of division management; (3) a gang of salesmen who hit the doorbells with the greatest of eagerness; and (4) an inseparable sales implement with each salesman, namely the demonstrating kit.

The enthusiasm and success of our sales training course hit the field with such impact that we are now busy filling requests for a condensed four-hour presentation of this course for our dealers, so as to aid their salesmen with all types of dental goods and equipment. It is conventional for manufacturers to conduct sales meetings on their own products, but this is the first time in the dental business that a single manufacturer has ever conducted a general sales training course for the benefit of his dealers.





CHARLES T. LIPSCOMB, JR.

is President of the Pepsodent Division of Lever Brothers Company, New York, N. Y. A native of Greensboro, N. C., he was graduated from the University of North Carolina and prepared for his business career with a shorthand and typing course at King's Business College there, in the shadow of the sprawling Vick Chemical Company plant. Going to work for Vick was a natural move, and during several years of job training, he served as secretary to almost every executive and department head.

After a period as a field salesman, Mr. Lipscomb started a training program for Vick that developed into what is generally recognized as one of the best training programs in industry. He visited a number of colleges for several years, interviewing and selecting men for the training course, and with experience moved into the sales managerial end of the business.

Mr. Lipscomb then joined the Coca Cola Company, in the fountain division, and worked as an assistant to A. A. Acklin, then president, and assistant to Harrison Jones, the chairman of the board. His other duties with Coca Cola included special assignments for the Legal Department involving the Coca Cola trademark, and direction of national chain store sales in the company's national sales department.

In 1942, Mr. Lipscomb went with McKesson & Robbins, Inc., as vice-president in charge of the Industrial Chemical Division, selling drugs, oils, and bulk chemicals to manufacturers. He traveled extensively in South America, buying raw materials such as menthol, and in England, where he bought products such as cod liver oil.

Mr. Lipscomb became assistant general sales manager in the wholesale division of the business in 1945. Three years later, he was appointed vice-president and general sales manager for drugs and sundries, handling some 1,100 salesmen through six drug sales managers and seventy-two divisional sales managers.

In 1950 Mr. Lipscomb joined The Pepsodent Division of Lever Brothers Company as President.

22. "You Talk Too Darn Much"

UP IN THE mountains of eastern Tennessee in a country cross-roads store, a white-bearded, dignified old merchant taught me one of my first and best selling lessons.

It was in the year after I finished college at the University of North Carolina and went to work with the Vick Chemical Company. I was driving a Ford sedan delivery truck filled with fiber and metal signs, which we had to tack or staple on every possible tree, barn, or store.

On this special work, we took our old Ford trucks up roads and gullies that I don't believe horses could have managed and called on many merchants who had never been five miles away from their stores.

One day I pulled up in front of a typical mountain store. In a rocking chair on the front porch the old gentleman greeted me courteously and asked me to have a seat on the nail keg.

I brought out of the back of the truck my large fiber sign for the side of his store, a couple of 17-inch, 24-gauge steel signs for a tree and a shack, two or three car cards to hang from his ceiling, a very large dummy carton to hang from the ceiling by a string, and some metal shelf strips. Then I produced the order book, the samples, and demonstration equipment for the sales story.

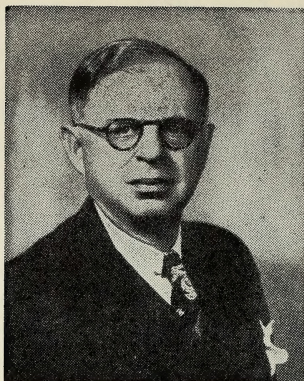
The old gentleman watched and said nothing, so I proceeded to give him "the works." The introduction came first. Then came the use story and the demonstration by melting some Vicks in a metal spoon and letting him get a whiff of the medicated vapors. I launched into the advertising story with the details of the newspaper and farm journal coverage, plus description of each piece of display material, where it would go, and what it said; the success story, including the millions of jars sold and the big purchases by other stores in that county; the profit story with complete drama-

tization; the presentation of the deals; and then the preferred "clinger."

Altogether this took some 15 minutes, with the old gentleman rocking and chewing and with me getting heated up both physically and vocally.

He sat for a minute without saying anything and then, in a friendly spirit but obviously overcome by all this, he drawled, "Well, young feller, that Vicks is a good product and your proposition sounds all right. The only trouble is—you talk too darn much."

Well of course he placed an order, because after all he was going to need some Vicks salve for the winter season and might as well take what I was offering. But many times since, when I get too wound up and involved in words, I think of that old gentleman saying, "You talk too darn much."



HERBERT METZ

is District Manager of the Graybar Electric Company, Inc., New York. Immediately after graduating from Penn State in 1914, Mr. Metz, a native New Yorker, entered the student course at the Western Electric Company in Chicago. In 1915 he came to the advertising department at general headquarters in New York. In 1917 he was transferred to the Western Electric sales office in Denver where he acquired some very valuable firsthand experience in selling. In 1920 he was made power and light sales manager, and in 1923 when the Western Electric Supply Department was set up as a separate entity, he became advertising manager of Graybar and a few years later sales promotion manager. As sales promotion manager he was responsible for the company's sales, engineering, and manufacture of appliances as well as its over-all advertising and promotion. In 1939 he was appointed general lamp and lighting sales manager, and in 1947 the eastern district manager. He was elected a director of the Graybar Management Corporation in 1933 and of Graybar Electric in 1940, and was appointed to the executive committee in 1947.

Mr. Metz served as a director in the Association of National Advertisers, and has always been active in the Electrical Industry. When the Adequate Wiring Bureau was launched in 1938, he was made chairman of the planning committee and in 1941 was elected chairman of the executive committee. In April of 1946, Mr. Metz was awarded the 1945 Wholesaler's Medal, in recognition of his constructive work as the chairman of the Planning Committee of the National Electrical Wholesalers Association.

Mr. Metz started a crusade about ten years ago on the importance of selling and the dignity and value of salesmanship as a profession. He has written articles and made many speeches on Selling as a Career. He is the editor of the book, "Opportunities in Selling" published by the U.S. Department of Commerce, which has been widely distributed across the country. He is a great friend and supporter of selling in general and the salesman in particular.

23. My Most Interesting Sale

IT IS VERY difficult to reach down into the grab bag of your sales experiences and pick out the one you can label "most interesting." Even the ordinary sale is bound to represent one or more interesting slants, so that it is quite difficult if not impossible to pick out the most interesting.

In this connection, I am reminded of the old story of the unfortunate widow who was left with ten children whom she strove heroically to support. After a time she realized the load was too much for her and she decided that she would give up one of her children for adoption. So, she put down the names of all the ten children on a piece of paper and went over them one-by-one in an honest endeavor to pick out the one she felt she could give up. When she came to the name of the last child she was faced with the realization that she was so endeared to each one of her children that it was utterly impossible to pick out even one that she could give up. That's the problem a salesman is faced with when he is asked to pick out his most interesting sale.

However, I think the following sale was outstandingly interesting because it had so many different phases to it.

I secured my sales experience with the Western Electric Company by selling a device known as a "Western Electric Power and Light Plant." This machine consisted of a gasoline engine that was directly or belt-connected to an electric generator, a panelboard, and a set of storage batteries that supplied electricity to farms removed from power lines. My job was to establish dealers on a franchise basis and then supervise them to see that they covered their territories and sold their prospects. This was an interesting, absorbing, and frequently a tough job.

In the spring of 1916, about the time we were getting into the First World War, I was asked by the sales manager of our Chicago

distributing house to go out and talk to a man in a small town in Iowa who was the manager of the rural telephone company. He had written in, showing interest in a Western Electric Dealership and it was my job to go out and sign him up. I took my briefcase, hopped a train and was on my way.

I found the prospect to be a middle-aged man who should have made an ideal "Farm Plant" dealer because he knew well and favorably practically every farmer in the wide area. Before I went to see him I checked him, as I should, and found that he was a man whose character and credit were beyond reproach. In other words, if he had any sales ability he should have been, as he undoubtedly would be, an ideal outlet for us.

I went to see him and spent some time talking to him about the merits of the Western Electric Plant in particular and the dealership in general. I found, however, that the interest he showed in his letter was not at all evident in our conversation. When his wife came in somewhat later it was plain why he had changed. She was very much opposed to his getting into any business that might dilute his interest in and interfere with his telephone business. So, I transferred my attention to Mrs. Manager and tried my best to sell her. I explained the market for the device, told of the conveniences it made possible for the farm wife and stressed the financial returns to her husband and what *that* would mean to *her*. I opened all the stops but got nowhere. So, I decided to take another tack.

I asked my prospective dealer if he knew of any farmers who might be interested in a Farm Plant. He gave me the names of several, and I told him to pick out the most likely name. I then asked him whether he would drive me over to this farmer, so that he would have some evidence firsthand as to how these Farm Plants were sold. I wanted to get him away from the "Missus," and I knew that "one picture is worth a million words." Having him witness the getting of an order would be worth thousands of words of explanation. You sell best on example! Anything you can do the prospect feels he can do better! He put down a number of names and, in spite of his wife's grumbling, selected one. We drove out into the country in his Model "T" Ford and into the yard of what was evidently a very prosperous corn and hog farm. We

met the farmer, who was an alive, alert gentleman and on a very friendly relationship with my prospect.

I then went to work and did the best job I knew how selling the value and virtue of electricity secured through a Western Electric Plant on that man's farm. Lunch time came and we were invited to stay for lunch, which we did. After lunch, we started out again and around supper time all chances for the sale seemed to be knocked into a cocked hat when the farmer's wife said that she thought if any considerable amount of money was to be spent at that time it should be spent on a car for her son who was soon to be inducted into the Army. She thought he should have a good time while he was home and they should do everything to make that good time possible. Electricity could come later. It was then supper time and again we were invited to stay.

My dealer prospect was getting restless and anxious to get back to his home and I was just as anxious and determined to get the order. Then came the break that made this sale as it makes so many sales, for there is a "break" in almost every sale. The alert salesman watches for that break and pounces on it like a fullback on a fumbled ball. I noticed that one of the youngsters was hobbling around and I asked the farmer why. He said that several months before she had fallen down the unlighted back steps and broken her ankle. I very casually asked him what he felt the life of his youngster was worth. Of course, the answer was "priceless." I said certainly it must be worth many times the price of my electric light plant which would make possible the lighting of all stairways night and day and, therefore, prevent the recurrence of an accident that had broken his little girl's ankle and might have broken her neck. This argument broke the back of the resistance and we finally got the order, which included not only a complete power and light plant, but an electric washing machine, vacuum cleaner, iron, fixtures, utility motors and every possible electrical device that could be used on that farm, including an ornamental light post to go at the roadside and on which I promised to paint the name of the farm. As soon as we got the order we said good-bye and were on our way. And here let me pause ten seconds to make another important point. Don't linger longer than you positively have to once you have the order. Say "thanks," gather up your things and go—but fast!

I will never forget the drive back in my prospective dealer's Ford car. It was a bright moonlight night, and as we jolted over the bumpy road I talked about everything from the beauties of the night to the virtues of farming, purposely staying away from the question of the order. Finally, my driver friend turned to me and said, "That's a fine order *we* got tonight."

I might say in passing that the order, if my memory is correct, amounted to about \$1500, on which my friend's commission, if he had been a dealer, would have amounted to about \$500.

So, I answered him by saying, "What do you mean the order *we* got?"

"We got it, didn't we?" he asked.

"No," was my answer, "*we* didn't get it, *I* got it. If you will notice, the order is on a Western Electric order form signed by me. It's my order. I very much appreciate your driving me out and I shall see that you are compensated for your time and for the use of the car. Of course, you cannot have any commission because you are not a dealer. Remember just a few short hours ago you told me you didn't want to be a dealer because you didn't think you could make very much money out of the dealership. Here's just one order that would net you \$500. That may not be *much money* to you but to me that's *heavy dough* and there's lots more where that came from."

And from that point on all the way to his home he was *selling me* on the desirability of his handling Western Electric power and light in that territory. In other words, a demonstration of how the job could be done and a practical demonstration of the opportunities for my product and the "taste of blood" sold my dealer better than any words could have possibly sold him. By the time we reached his office late that night he was literally begging me for the franchise, which that morning he had had absolutely no interest in.

To make a long story short, I lined him up as a dealer, secured his order for three more outfits for his stock, shook hands with him and his wife, wished them both well, and went back to Chicago.

I think one of the happiest and most satisfying hours of my life was when I returned to my Chicago office and nonchalantly tossed on the sales manager's desk the farmer's order, the signed dealer's franchise, and the order for the additional three plants. I might

say in passing that the order that I took from the farmer was the biggest order that had ever been taken on Western Electric farm plant equipment up to that time. Because of that and the unusual phases of the experience, I think this was my most interesting sale.

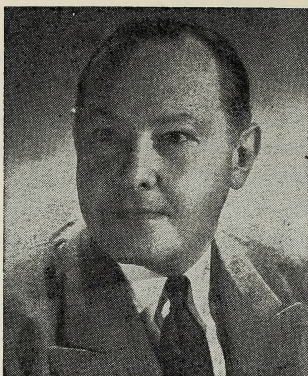
I would like to emphasize a few cardinal and important sales rules that are illustrated by this sale:

1. When you are lining up a dealer, go out with him and give him a practical demonstration of the market for your product by selling it for him.

2. There comes a time in many sales when you have to completely change your sales tactics in the same way that a fullback often reverses his field. It is foolish and very often disastrous to lower your head and keep bucking the line at the same old place.

3. In making a sale, no matter what you are selling, keep your eyes open all the time and be alert for the "break." When it comes, grab it fast and make the most out of it. In this particular case it was the youngster with the broken ankle that made it possible for me to get this order.

4. And finally, "know your stuff," and "know it well." Believe in it enthusiastically, whole-heartedly, and sincerely. Above all, realize how important selling is to you and to the country's economy, and glory in the work you are doing to the point that you get a greater kick and thrill out of it than anything else that you could possibly do. Then *every* sale is a "most interesting sale."



WALTER A. LOWEN

Placement Specialist, New York, is a graduate of the School of Journalism at Columbia University. He began his career as a cub copywriter at Calkins & Holden, Inc. after World War I. He left Calkins & Holden to join Ruthrauff & Ryan, Inc., and worked with two other advertising agencies before founding with his wife in December 1920 The Vocational Bureau, a private personnel placement agency, which pioneered along original lines.

With the passing years the reputation of Walter Lowen grew apace so that it seemed logical in 1933 to dissolve The Vocational Bureau, Inc., and change its name to the Walter Lowen Placement Agency.

During the past 30 years, he and his assistants have placed more than 100,000 men and women in advertising, commercial, and executive positions at salaries ranging up to \$150,000 per year.

Mr. Lowen is a past chairman of the Employment Committee of the Sales Executives' Club of New York. For 20 years he has been a member of the Advertising Club of New York, serving on its educational committee and conducting the copy clinic of its famous Advertising & Selling Course.

Mr. Lowen is co-author with Lillian Eichler Watson of "How to Get a Job and Win Success in Advertising," published by Prentice-Hall in 1941.

24. Free Yourself from Resentment and Hatred

FOR MANY DECADES businessmen have found it necessary and expedient to employ a middleman in the form of a jobber or agent to effect the sale of a commodity or product from the producer to the consumer.

In our human affairs we have also found it wise to employ a professional middleman. When we are in legal difficulties, we engage a skilled attorney. When we are ill, we call in a physician or specialized practitioner. When we wish to buy or sell a piece of property, we consult a real-estate agent. And when we wish to engage an employee or effect a new connection, many of us have found it wise to enlist the services of an experienced placement specialist.

Strangely enough, many people think that the purpose of a personnel placement agent is merely to find jobs for people. That is not my purpose. Before I begin work for an applicant, he must have something valuable to bring to an employer. Every year hundreds of men now employed come to my office seeking to better themselves. Frequently they are advised to stay where they are and seek to make themselves more valuable to their present employer.

By the same token, before I begin work for an employer I must be convinced that he has something valuable in the form of an opportunity to offer my registrants. I am merely the medium used by both the employer and employee to find each other in the shortest time, with the least effort.

From the point of view of the man who is seeking a new connection, my function is singularly like that of a Sales and Merchandise Manager. The personal characteristics and specific qualifications of the applicant represent my merchandise. By helping the applicant analyze his qualifications, by pointing out what he has to offer

his prospective employer, by bolstering up his morale and self-esteem, by paving the way for his interview and setting the stage, I am able to help a man put himself across. In short, I am a Sales Manager of human talent.

But curiously enough, sometimes the most careful advance selling of an applicant goes for naught because of some inadvertent remark or peculiar psychological quirk that the man reveals only to his prospective employer. Some time ago I arranged an interview for a lately "resigned" executive vice-president of a well-known advertising agency, a man of varied and extraordinary talents in the \$25,000 a year bracket. His interviewer was the president of one of the ten largest New York agencies, an agency, by the way, which for years had tried to secure the business with which my applicant-client was most familiar.

My advance selling was naturally based on this point. After his interview the chap came in to see me positively crestfallen. He was in a blue funk. "Everything was going along swimmingly," he said, "when the president suddenly asked me how I happened to leave my last position after 18 years. I found myself relating bitterly how I was squeezed out, and somehow my voice got so full of resentment and hatred it even sounded queer to me, and I found it difficult to recognize it as my own. I could feel his interest cool, and I knew instinctively that I had utterly spoiled my chance to make a good connection."

"You are not going to help matters by self-condemnation," I pointed out. "Unfortunately hatred harbored in our hearts often forges chains for our own self-destruction. Just go home and mentally free yourself from all resentment and hatred. No man with hate in his heart ever finds it easy to land a job."

"I know you are right," he said, as he shook my hand warmly. "I'm sure you did a swell job of selling me by the way I was received. The next time I go on an interview I'm going to have hold of myself, and I promise you I won't let you down."

When I called the president to whom I had referred my "perfect" applicant, he confirmed all that had been related to me. "Walter, the man's a sorehead," he remarked, "and we just haven't room in our organization for a guy who's sore at the whole world. There's no doubt about his ability or experience. He has just what we need

and want. Try to find his duplicate in a man we can work with and you'll make us happy."

"Dick," I said, "if you had liked the man from the start of your interview until its finish, would you have decided then and there to close with him, or would you have wanted to see him again and had him meet other key men on your staff?"

"Well," he answered slowly, "I don't believe I would have closed with him immediately. It has always been our policy to see a major executive two or three times before actually making him a firm offer."

"I wish you would give him another chance to sell you on his personal characteristics before you close your mind to his further consideration. Of course I'll do my best to bat up other good candidates, but I'll appreciate it if you'll see him again before making a final decision," I said. I told the President of my conversation with the man when he returned from his interview and the regret and humility he expressed.

The president, being a real human being, listened with interest and understanding. Finally, he said: "Walter, I've known you for many years and have a lot of faith in your judgment. I'll see him again next week, but in the meantime see who else you can find."

After a careful search I found three other good candidates but none of them could quite match my first choice. The next week, by the time candidate Number One returned for his second interview, he had conquered all feeling of resentment and was master of his emotions.

I had coached him on how to conduct his second interview, which he managed so skillfully that he completely eradicated the bad impression he had originally made.

Perhaps you will be interested in knowing some of the things I said to him before he returned to see the president.

"When you go on your second interview, *go with confidence*. You have valuable qualifications to offer: your years of training and education, your background, your natural aptitudes and talents, your intelligence, your eagerness to serve him and his agency to the best of your ability, and your fine appearance and personality. All these entitle you to friendly consideration, and you will get it too if you are courteous, tactful, good humored, patient, and persevering.

"Remember the president is hoping that you are the person he needs and wants and it's simply up to you to convince him that you are. You can't do it if you show any semblance of nervousness, timidity, resentment of former employers, or overeagerness for the job. These will cause a *negative* reaction.

"Relax. Don't be nervous. The president is an ordinary human being, just like you and me. Always remember, the *bigger* a man is and the more important and successful he is, the more likely he is to be gracious and helpful and considerate. He knows it's no crime to be out of work and looking for a job. He may be president of the agency now, but once he too was out looking for a job. The purpose of your interview is to *sell yourself* and not to beg for favors.

"So, go in with your head up and your shoulders square. Be courteous and respectful, but don't cringe. Remember everyone admires courage and self-respect. In the words of Robert Browning:

Go boldly, go serenely, go augustly,
Who can withstand thee then!

"The telephone may ring during your interview. The President may be interrupted half a dozen times. Don't look annoyed. Just continue after each interruption as though there had been no interruption, using an appropriate question or remark to help bridge the gap.

"Let the employer set the pace for the interview. If he seems to be in a hurry, present your story and get yourself out as quickly as possible. If he seems inclined to ask you questions and draw you out, let the interview take its own leisurely course; don't try to rush it.

"Try to assume the initiative in opening the conversation; it will give you an advantage. When the President asks you anything, tell all you can in a pleasant manner but concisely and explicitly omitting all the irrelevant material. Be good humored but *business-like*. Look him squarely in the eye.

"Control the tone of your voice; *keep it down*. Nervousness, excitement, or overeagerness may make it high pitched or unpleasant unless you are aware of the possibility and guard against it. Don't talk around any subject. If you can't answer a question,

admit it. Be simple, direct and truthful. Come straight to the point; otherwise you will appear evasive and untrustworthy.

"If the question again comes up of why you left your last position, answer simply and truthfully and *without personal animus*. Never criticize a former employer. Try to be magnanimous and see *his* side of the picture. You will immediately win the president's respect.

"Don't be too modest in talking about your accomplishments. Remember you are selling yourself, so go ahead and do it. Do a good job of it. Don't be afraid to tell what you have done, what you are able to do, and what you can bring to the situation in the way of natural talents, hard-earned experience, and abilities. Don't brag. Don't boast. But don't pull your punches either!

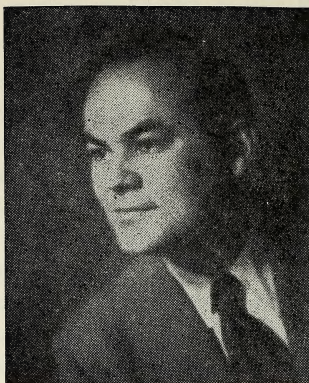
"Before going in to your interview give yourself a mental tonic. Fill yourself full of courage. Remember that this is your big opportunity, that you are ideally suited for the job, and that you are going to land it!

"*Believe in yourself*. Be bright, cheerful, hopeful, optimistic, and confident, but not cocky. Remember that the world is inclined to take you at the estimate you place upon yourself.

"You are your own best friend so *believe in yourself*. Don't allow yourself to entertain doubt or worry or fear. Don't be depressed about what is past. Be hopeful, alert, and eager for the future. What you have learned through your past experience can be your most valuable asset now. Remember, 'as a man thinketh in his heart, so is he.' So have confidence in yourself and in your future."

As might be expected, this time the president found my Number One candidate everything he was seeking in a key executive. He was charmed with his manners, his experience, his evident and proven capabilities, his adult thinking. All semblance of hatred and resentment had vanished.

Before the interview was over he had made such a good impression, and the president liked him so much as an individual that he invited him to bring his family to his farm in Connecticut for Sunday dinner. The following week my candidate was engaged.



Ashley Studios

JOHN M. FOX

President of The Minute Maid Corporation, New York, born in England, December 26, 1912. He moved to the United States with his parents at an early age where he attended schools in Atlantic City, N. J. and graduated from Colgate University in 1934.

Mr. Fox was with International Business Machines from 1934 to 1943. He resigned in 1943 to accept the position of Vice-President of National Research Corporation, Cambridge, Mass. In 1945 he left National Research to become President of what is now The Minute Maid Corporation. Mr. Fox is married, and his wife and four children all enjoy his hobbies of sailing and photography. His home is in Manhasset, Long Island, N. Y.

25. The General Concurs and a New Industry Is Born

THIS STORY revolves about a sale that had been cancelled. If the cancellation had been allowed to stick, an industry that has grown from nothing to \$100,000,000 a year in five years might never have seen the light of day. In any event, frozen orange juice would still be a realization for the distant future, and a sick citrus economy that was drowning in too many oranges five years ago would have had many disastrous and floundering years ahead before it reached the bounding prosperity it enjoys today.

It was the last year of the war although, of course, no one had any idea that the end would be coming before the summer was out. National Research Corporation of Boston had been hard at work since 1940 on various projects found to be of considerable value to many branches of the armed services during the war. Coated lenses for military optics was an early triumph. The Corporation had built the first pilot plant for the production of magnesium from dolomitic limestone. It had discovered a quick way to dry penicillin and blood plasma. By the end of the war most of the world's penicillin was being dried with National Research's high vacuum equipment. Another project, which National had been experimenting with during the war, was the production of an orange juice powder and an orange juice concentrate, both of which when mixed back with water tasted like the original juice.

The idea of preserving orange juice in a form that would preserve its natural flavor and vitamins was not new. For a score of years research and investigative groups in many sections of the country had been looking for the solution. In the early 1930's scientists had produced samples of orange juice powder that defied detection from the freshly squeezed item. The trick was to translate this laboratory work into a practical process so that the product could become a production reality. We believed we had the trick.

The next trick was to sell the idea to the Army. We found the Army officials interested but cool. The coolness stemmed from the fact that they had been deluged by proposals from people alleging to have solved the problem, but who, when investigated, turned out to have no low-cost method of production. Our laboratory samples they liked; but unless we could prove by means of a pilot plant that the product could be made in quantity and cheaply enough, they would go no further. Furthermore, they insisted upon the right to send technicians to inspect and observe such a pilot operation before they would order a pound. They waved under our nose a directive to purchase 500,000 pounds of orange powder from the first one that could satisfy their requirements. The risk was with the supplier.

Although it was a case of chicken and egg, we were sufficiently encouraged to stick our neck out. The winter and spring of 1945 saw some heroic efforts by the small band of engineers and scientists that built the first orange concentrate pilot plant in Plymouth, Florida. Finally, after countless failures we produced a product that met the Quartermaster's specifications. The technical mission from the Quartermaster Corps went to Plymouth, and after considerable poking about looking for flaws, they put their stamp of approval on the process. We were awarded the contract for the 500,000 pounds with one reservation. We had to prove to the Army that we could raise the funds to build a plant. We decided to go to the public with an offer of nearly 3 million dollars' worth of securities.

This appeal required the usual hectic business of writing a prospectus covering the plans of the company. Of course, the key exhibit was the contract with the Army for what amounted to the initial output of the plant to be constructed. Since both the powder and the concentrate were new products and had never been sold before on a commercial basis, our underwriters, Paine, Webber, Jackson, and Curtis and the First Boston Corporation, felt quite rightly that some evidence of a market for the company's product was essential and necessary in order to get people to invest their money in it. In addition, the plant was full of hard-to-get stainless steel, high-priority pumps, boilers, compressors, and the like. Without government priorities the plant could never be built until long

after the war, even if another customer could be found. This government contract, therefore, was a most vital exhibit.

Just a few days before the registration statement and all supporting papers were to be filed with the Securities and Exchange Commission, a bombshell was received in the form of a brief but very final letter from the Quartermaster Corps in Chicago. It read, in effect, that due to unforeseen circumstances, the order which we had been given for the orange powder was thereby cancelled, effective immediately. The letter was over the stamped signature of a Second Lieutenant. We felt as though the rug had been completely pulled out from under us.

Upon questioning the underwriting people on the status of our issue, they were quick to point out that unless the order could be reinstated, there was no point in attempting to sell the securities. In fact, they suspended all activity on the issue until we could get a reissue of the order, and I was charged with the responsibility of remaking the sale. My instructions were not to come home without the contract.

I flew to Chicago at once and went through the usual pillar-to-post treatment, all of which added up to the very simple fact that no one in the Quartermaster Depot had the authority to override the directive from Washington that cancelled our order. Whereas the depot people were properly sympathetic and regretted that they had encouraged and led us on in the development of our product, it was just too bad—*c'est la guerre*. Furthermore, we shouldn't be too upset; our order was only one among hundreds of others in a wave of cutbacks that took place in the late spring of 1945. They advised that I was battling with a lost cause and that the best thing I could do was to go back to Boston and forget about it. Well, I had definite instructions concerning my returning to Boston empty handed. Washington was the only alternative.

Arriving in Washington, I went up and down the line of authority from Lieutenant to Captain to Major to Colonel and back down to Lieutenant again without doing much more than talking myself hoarse. I was butting my head up against a stonewall. I can assure you, the stories that came out on the difficulties of getting action in war-time Washington were no exaggeration. Apparently, the only one who could make an exception to the over-all directive was General Hardig, who was Chief in Charge of Subsistence of

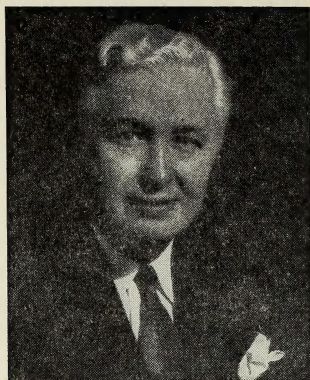
the Quartermaster Corps, U.S. Army. General Hardig was, of course, a very busy man and was well nigh unapproachable. After a great deal of wrangling and remonstrating, I finally got to see the Colonel who guarded all doors to the General, particularly against persistent salesmen. I made it clear to the Colonel that I would wait for the duration of the war in order to give my story to General Hardig himself.

In exasperation and with a warning that I would undoubtedly get tossed out on my head, he finally bowed to my wishes. In a meeting that involved nearly all of the subordinates who had been carefully following through on the General's directive, I was permitted to plead my case.

There present were the familiar faces of the Lieutenant who had sent me to the Captain, the Captain who told me to take it up with the Major, and the Major who sent me to the Colonel and back again to the same Lieutenant. All scowled, including the General.

At the end of my story, General Hardig checked upon several of the points of issue that I had made with regard to the interest of the Army and their encouragement of our operation to continue the research work to the point where we had brought it up to the final approved and perfected product. He thought quietly for a few additional moments and then made the simple statement, "I concur with what this man says." This on-the-spot decision reinstated the directive allowing us to rewrite the order for the original quantity of powder that they had requested. Now I could go home.

Many things followed that decision. The stock was sold and the plant was built. It was soon converted to the production of Minute Maid orange juice concentrate. This year the still-infant industry will produce some 20 million gallons of concentrate. Or, to put it in another way, Minute Maid and its competitors will sell more than two billion servings of orange juice made from this new boon to the beleaguered housewife. The growers of citrus wear the widest smiles to be found in agriculture. The capital that had the initial courage to back our enterprise has proved again that "nothing ventured, nothing gained."



EDWARD GOEPPNER

Managing Partner of Podesta Baldocchi, San Francisco, Calif., was a gangling 16-year-old kid with a great love for beauty when he joined the then 44-year-old florist firm, Podesta Baldocchi, mopping floors, running errands, and hustling flowers. A buyer since 20, Mr. Goepfner has been through all the chairs with this venerable San Francisco firm. He became a junior partner in 1919, senior partner in 1927, and was named managing partner in 1945. Since assuming management, he has seen Podesta Baldocchi's business doubled.

Mr. Goepfner is 54 years old, a grandfather, and enjoying his thirty-eighth year in the flower business. He is perhaps best characterized by the man who asked: "If Podesta Baldocchi is America's Most Famous Florist, what does that make Eddie Goepfner?"

26. Selling Is Believing

YEARS OF EARLY MORNING RISING, amounting almost to an occupational disease, put us aboard a hotel elevator in Detroit. My wife and I were the only guests using the conveyance so the colored janitor and the elevator girl fell into an easy conversation, which ignored us. Then a gem tumbled quietly from the lips of the old janitor. "Yeh, sho, that's right, but it's the things you learn *after* you thinks you knows it all, that *counts!*"

How right he was. And what honest, simple logic. "It's the things you learn *after* you think you know it all, that *count.*" I reflected on our own business and wondered if an organization of our vintage with so many people having worked so closely together for so many years might grow stagnant or might be tempted to fall into a snug complacency toward our selling and our service. What about our attitude? I wondered if it had changed over the years. Were we still doing the same things, offering the same services, and saying the same things to our customers that we had 20 years ago? Our firm had been successful, yes, but were we continuing to go forward? Were we "learning things after we thought we knew it all?" Could we?

Analyzing this, I remembered a fact about our selling that I had realized many years before: We aren't really *selling* anything at all; we're *distributing*.

If we can remember that thought and if we will remember the underlying attitude that must accompany the sort of distributing Podesta Baldocchi does, then I suppose it is possible for us to "learn things after we think we know it all." But it's a constant battle remembering these "ifs." I guess it would be in any business.

You may ask: But, what's all this about not selling and just distributing? What does it have to do with hard-dollar selling?

Just this: We believe that it's what a man feels and believes about the thing he is selling that makes the sale.

We have a feeling about flowers that we unashamedly say approaches reverence and respect. I have no feeling if a careless person crashes a vase to the floor; but if he should step on a single flower, I actually feel a physical hurt.

Look at it this way. Perhaps a skilled chemist could create a flower seed, perfect in every scientific way. All the elements, all the atoms would be there in proper proportion, a wonderful thing. But, would it grow? Would it live? Isn't something breathed into that tiny seed that gives it life and light and beauty? And isn't something imparted to that seed that allows the simple flower it reproduces to transmit a bit more than just beauty and a sweet smell?

We believe that there is. And when we sell or "distribute," as we say, we feel this thing about our merchandise.

There is a reason. We've seen flowers heal, actually heal, because of the warmth and the sunshine that they bring. We've seen flowers bring peace and calm respect among bitterly opposed factions seeking to arbitrate in tough labor-management disputes. We've seen flowers bring about friendships because of the mutual feeling two people had for flowers. We've seen flowers comfort lonely, depressed, and suffering people. We've seen flowers as an important part of countless affairs. We've furnished flowers for presidents, kings, debutantes and movie queens, shopgirls, dowagers, and front page celebrities. To each one, flowers impart something; for there is a "something," call it happiness, hope, sunshine, beauty, or what you will, there is a "something" about flowers, our merchandise, that lives!

Can this feeling about that which you are selling apply to all things? Washing machines? Insurance? A professional service? I believe in a broad sense that it can. I believe that anything worthy of being sold, worthy of a man's effort to sell it, should have value and meaning for someone, should bring happiness or comfort in some way.

Any businessman could furnish stories to illustrate this point. So can we.

"I was going to kill myself," she told me, "I really was." Her

voice was clear, controlled, but her eyes seemed to have seen hurt, seemed to remember suffering, hunger, loneliness.

She came into the store one dreary, rainy afternoon during the mid-thirties. We were feeling the pinch of the economic depression and so was she. We were trying to show as many flowers as we could, perhaps more than we could afford, but our reputation was built on displaying beauty, flowers in great profusion. And so we showed flowers as bravely and as freely as ever and our windows continued to be filled in the most imaginative and lavish manner possible under the circumstances. As she stood there talking, her hand unconsciously brushed a bunch of roses in a bowl, and she let the hand stay, touching the roses as though she felt warmth and strength from the flowers.

She was young, in her late twenties at the most, and as I looked at her I wondered how a girl like this could reach a point where she wanted to destroy herself, and having reached that point, what brought her back?

"I couldn't do it," she said, "I just couldn't. Oh, I was brave enough, I guess, if you call that being brave. I thought of all the different ways and I wasn't scared. The violent ways. The poisons, the overdose of sedatives, the gun that I couldn't afford to buy, that seems silly, doesn't it? No, I wasn't afraid. I decided just to walk out into the ocean until—you see, I can't swim, it would have been so easy. In a few minutes it would all have been over." She cried a little bit and I couldn't say anything.

"But then something happened and I was both ashamed and elated at the same time. I knew I wanted to live again and I knew that I would live . . . But . . . maybe you wonder why I'm telling you all this. Honest, it isn't for sympathy. I'm not asking for anything. You see, mister, your flowers gave me the will to live."

And then she told me how she was alone in San Francisco, jobless, friendless. Her pleasure, she said, had come from looking in our windows at our flowers. She had never dared to come inside the store until today. She said she was afraid someone might expect her to buy something and she would be embarrassed because she couldn't. At first the flowers cheered her, and then they became a symbol that cast her on the off side of her imaginary "have and

have not" ledger because she wanted to have nice things and these things were so far away.

"The night before I was going to do it," she went on, "I thought I'd just take one more look at the windows filled with flowers. I got here a little earlier than usual, I guess, because you weren't closed yet and the perfume of the place floated out to me on the sidewalk. I think I felt a little sorry for myself then when some people came out laughing and the ladies were wearing flowers.

"And then, as I stood there looking into the windows that seemed to overflow with flowers, suddenly I didn't feel sorry any more. It was an odd sensation—like waking from a dream you thought was real—only, this *was* real. I felt, I don't know . . . hope, I guess, and strength. And I realized that with all this beauty in the world there must be hope, with all this beauty in the world, I couldn't leave."

She smiled. She was quite calm now. "Don't ever let those flowers fade, mister," she said. "They mean so much to so many people you'll never know."

Unusual? Yes, but oddly enough that girl's words were echoed a few days later, this time by a kindly old gentleman, a customer of many years' standing. "Eddie," he said, "the city fathers should subsidize this place during these trying times. You'll never know the good and the comfort this store brings to so many poor souls during these dismal days."

That, I think, was the beginning of our knowing that we were the distributors of something beautiful, helpful, and healing, not simply florists selling flowers. Maybe we really knew it before, but here it was, put into words.

We've tried to make that feeling stick. Perhaps it has. I hope so.

Just the other day I sold a single spray of cymbidium orchids to a lady customer to whom the purchase was quite casual. The spray of cymbidiums cost the lady \$180. She appreciated their beauty. We were to air express the flowers to a friend in New York.

The next sale was to a rather worn-looking little man who "wanted something special" for his wife. It was for their twenty-fifth Wedding Anniversary. He could only spend three dollars. He was delighted with the corsage made from a single orchid.

"My wife has never had an orchid," he beamed, "she'll probably cry."

Which sale do you think meant more?

"Yes," we can hear you say, "but selling flowers is a sentimental business. Now in my line . . ."

We don't deny that our business, to a large measure, appeals to the emotions, but you can get pretty matter-of-fact about even the tenderest subject if you don't really "feel something" about the thing you are selling.

Ours is a small business, only about 100 people in the whole organization. But for a retail florist we're considered big. That bigness in our field, coupled with our old-time reputation, can be a handicap because we can become impersonal toward the very things and the basic merchandising philosophies that have made us big.

We think it's rather unusual that an organization our size should have six people who have worked together for 35 years or more, 14 who have been with the company more than 25 years, and 27 with more than ten years' service. We also have six father-and-son combinations working side-by-side.

Perhaps you would think that this sort of record among only 100 people should make for a close-knit group that would agree pretty consistently on the fundamentals that make up their business. But such agreement is not necessarily true. It's all the more an individual problem. Every man must continue to remember what it is that he is doing and how he feels towards his work and "merchandise" he is selling.

We don't pretend that we actually achieve such perfection, but that doesn't keep us from everlastingly trying for it! We don't suppose that every person in our organization, now or ultimately, can feel the way we'd like them to feel about flowers and our concept of "distribution" as opposed to selling. But, unconsciously or otherwise, the contribution of each person who really belongs to the organization does add to this philosophy. It's there, but we don't always know that it's there.

Just recently we overheard one of our salesgirls saying to a floral artist, "It's ignorant not to progress." We don't know what inspired that remark or how it fitted into the conversation the two were having—but isn't that just another way of restating the old

janitor's philosophy: "It's what you learn *after* you *thinks* you knows it all that *really counts!*"

We remember back to our own beginning days with this company. We remember sales slips pencilled with such notations as, "sold to lady in fur coat with little brown dog—two dozen roses." No names, no addresses, just that for the record.

Somehow our customers got billed regularly and, I suppose, we collected accounts in spite of such picturesque, if inaccurate sales details. But, the important thing is, we sold the lady in the fur coat with the little brown dog some flowers. And for some reason she wanted to buy those flowers from us rather than someone else. There have been many thousands of "ladies in fur coats with little brown dogs" and maybe we don't know why we can sell them flowers—and maybe we do.

Perhaps there is something in what we do with flowers that stems from how we feel toward flowers. Perhaps this is a reason.

"All right," you may say, "that's an interesting sales philosophy, but what about competition? Even florists have competition, don't they?" Sure we have competition, everyone has competition in one sense or another, and certainly everyone in business feels it in some degree—though each may have a different concept of competition.

What is competition? Dictionaries define competition as a contest between rivals, a match, the effort of two or more persons, acting independently, to secure the custom of a third party by offering the most favorable terms.

But, actually, is there such a thing as competition? Certain teachings say that there is no such thing as competition, that everybody and everything has its place, that in this world there is room for everybody and everything, that it was made that way and meant to be that way.

In our work—dealing as we do with things created by nature: flowers, living things, themselves, and appealing as we do to sentiments, good spirit, affection, love, condolence, sympathy, aren't we closer to those teachings that say competition, as competition, does not actually exist? Isn't there really a place for all of us?

I think that there is. I think that it is purely and simply up to each of us as individuals to be worthy of and to earn that place for ourselves. That to me is competition.

And selling?

To paraphrase the old saying, I say: "Selling is Believing"—believing in what you have to sell. Have a feeling for your merchandise, no matter if it's orchids or piston rings, lipstick or lumber. Everything that is worth while to be bought is worthy of being sold, and really being sold, not merely accepting money in exchange for goods. Make the buyer feel something of what you feel. His purchase should give him pleasure, be of service, or afford him comfort. Otherwise, why should he buy it, and otherwise, why should you try to sell it to him?



HARRY WINSTON

is head of the House of Winston, Fine Jewelry, New York. His photograph does not appear in this book because his insurance policy prohibits it.

When Mr. Winston was asked for his biography for this book, he said, "I have been in the jewelry business for almost 40 years; I started with my father, who was a jewel merchant but a very small one. I went into business for myself approximately 32 years ago and have built it into what it is today. If you have great jewels and fine things to offer, the world beats a path to your door. It is like the man who built the better mousetrap."

Instead of his own photograph, Mr. Winston has sent a picture of the Jonker Diamond, which he believes to be of greater interest to the reader. According to his modest statement, "People are not interested in Harry Winston. Far more interesting and with a longer biography are the jewels I sell. These gems—the rare ones—are beautiful, vibrant, and exciting. They have a flow of life; they pass from owner to owner; they live and go on living. Their histories are bathed in blood and tears, in romance and laughter. Each has a far more interesting biography than has Harry Winston."

27. Selling "Perfection"

SELLING PERFECTION must be a unique side of the craft to which this book is dedicated. Very few ever lay claim to such a high standard. I do. My big stock in trade is the diamond; and, to me, that is the perfect gem. In all the stones, the precious stones and fine jewelry I sell, my aim is perfection; and the paradox of selling perfection is that it is never sold at all. You educate. You show. Then, discriminating people buy.

My business begins deep in the heart of Mother Nature. For thousands of years the mysterious forces of nature work to create rough jewels. And that is but the beginning. Those rough stones must be studied at length before cutting. For example, the Jonker Diamond was studied for two years, then split, cut, and polished into twelve gems, including the famous Jonker emerald cut that weighs 126 carats.

The touchiness of cutting a diamond is difficult for those outside the craft to imagine. One wrong blow on the hammer can split it to bits. On the day that the Jonker diamond was cut, no one among us who were watching dared to breathe as the hammer was raised. Here was a 726-carat stone of fabulous value. A tremendous sigh of relief, audible all over the room, broke the tension as the hammer in an expert's hand fell precisely right, and the great diamond fell apart perfectly and majestically.

After cutting, the gems must be polished and perfectly set. Jewelry making is one of the oldest of crafts, and diamond and jewelry craftsmen spend lifetimes to reach the point where they are able to give the jewelry they create the necessary rare qualities of beauty and perfection. For emphasis, I must repeat that the beauty and perfection that are found in fine jewelry are seldom, if ever, seen anywhere else in this imperfect world.

Finally, few people realize how few really fine gem stones are ever found in the first place. Indeed, when a stone of 30 or 40 carats is discovered, it is a cause for widespread celebration. If a rough stone, large enough to produce two polished gems of 15 to 20 carats is found, the entire coast of Africa, or the country of origin knows it.

Dealing thus in rare beauty and perfection, one must be a good buyer before even attempting to sell. There is an old saying in our trade that I like. It goes: "Jewels well bought are half sold."

In addition to the 726-carat Jonker, which was the third largest rough diamond ever found, the House of Winston has owned and cut such celebrated modern diamonds as the 726.60 carat Vargas, the largest diamond ever found in Brazil and named after the President of that Republic; the Liberator Diamond, largest stone ever found in Venezuela; the historic Nassak diamond; the renowned Idol's Eye, weighing over 72 carats; the Queen of Belgium Diamond, a magnificent 40-carat emerald cut.

We have purchased such important jewel estates as the \$2,000,000 collection of Mrs. C. P. Huntington; the E. J. "Lucky" Baldwin estate, containing the finest collection of large-gem, pear-shaped diamonds ever assembled; the estate of Mrs. Emma T. Gary, which included an incredible collection of matched round diamonds.

Among other important collections we have purchased from royalty and notable personages was the nationally famous Evalyn Walsh McLean collection. It contained the fabulous 44½ carat Hope diamond and the huge Star of the East pear-shaped diamond weighing approximately 100 carats and once the property of the Sultan of Turkey.

Yes, as far as fine gems and jewelry are concerned, buying and selling are inextricably related. To work the combination of buying and selling successfully, the first objective is to buy only stones of highest quality and the best possible price. You must buy for value, regardless of the immediate selling market. Often, purchased stones must be held in vaults for years until sales conditions are right.

Because of the perfection we seek in the jewelry we sell, we find it is necessary to educate the public in order to make sales. Personally, we believe that a good buyer makes a good salesman, but

we must convince the other fellow, too. Seeing is believing, and we take every possible opportunity to show the public our perfect gems. Fortunately, the public is eager to learn about diamonds and other rare gems. The number of people who flock to our house to see our stones both before and after cutting is proof of that fact.

We do not limit our displays to specialized collectors and dealers. We want to extend the appreciation of fine jewels to the general public. So the great gems from our collection are being constantly moved about. They are shown at museums. They are shown by other jewelers. We want all people to realize that a perfect gem, no matter how small, is a possession to be prized for generations.

Not only people generally, but often individuals, must be properly educated on the high price of perfection. I recall a gentleman from Texas coming into our office in the former town house of the Countess de Brabant that stands in the shade of St. Patrick's Cathedral. He told me he knew all about diamonds and wanted to buy a large one.

I knew his financial standing, but I was not so certain about his knowledge of fine gems. I showed him a 35-carat stone of beautiful color and fine quality. He looked at it closely and with apparent appreciation.

"How much?" he wanted to know.

"\$150,000," I told him.

"You're crazy," he said indignantly. "I was in the diamond business, Mr. Winston, when you were still wearing diapers. I know diamonds, and I tell you that no stone is ever worth more than \$400 a carat."

I put the diamond under the magnifying glass, explaining the beauty, color, the perfection that made this particular gem so valuable. I took great pains in imparting this lesson.

My Texas prospect, however, left us without making a purchase. I never expected to see him again.

About four years later I received a box containing 100 neckties. I had no idea who had sent them to me. The name on the card enclosed seemed familiar, but I just couldn't place the man at all. I didn't have to wait long to solve the mystery, however. The next day in came the man who admitted he had sent the ties as a "peace offering" to me, and it was my old friend from Texas whom I hadn't been able to sell.

"I want to apologize, Mr. Winston," he said, "for my attitude when last I visited you. I thought I knew everything there was to know about jewels and I resented your trying to tell me anything.

"Nevertheless, I was listening while you talked although you didn't convince me at the time. I had to learn by experience."

"What do you mean, you had to learn by experience?" I wanted to know.

"Well," he said, "you remember you showed me a 35-carat stone you said was worth \$150,000. You explained why, but I just wouldn't believe you. In fact, I was certain you were wrong when shortly afterwards I bought a 40-carat stone elsewhere and only paid \$10,000 for it. I was mighty proud of myself. I thought I was at least \$140,000 better than you in judging diamonds.

"Nevertheless, in the back of my mind all the time was the picture of that perfect gem you had offered to me. As I recalled the different points in its favor, which you so carefully pointed out to me, and compared these memorized points with the stone I had in my hand, I began to realize how obviously inferior it was, how far it was from perfection."

"Comparison is one of the ways to judge diamonds," I interposed. "I loved that 35-carat stone I showed to you. I am glad that you, too, came to appreciate its beauty."

"I want to buy it now," he demanded. "I have traveled to many parts of the world to find its equal, but I have never found any diamond that could compare with it. Besides that 40-carat stone, for which I paid \$10,000, I bought many others. None satisfy me. They are all obviously inferior although they weigh the same. Mr. Winston, I am willing now to pay \$150,000 for your 35-carat stone."

I shook my head.

"I am very sorry," I explained, "but that particular diamond has now been sold."

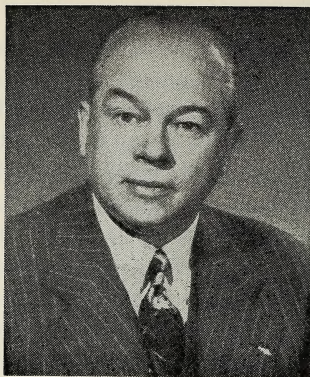
The Texan looked so disappointed that I knew I had as a prospective customer a man who appreciated real beauty, a man who sought perfection. Together we looked over some of my trays of important gems. We spent a most enjoyable time appreciating their real beauty. Before he left on this second visit he had purchased a superb perfect blue-white gem stone in which he had

invested \$150,000, the amount he had told me was absurd when he first had called."

Believe me, when I say I had not sold him. This Texan had sold himself. He had sold himself by going out and buying other stones so that he was at last able to compare. He had educated himself. He had proved that a good buyer makes a good salesman.

Of course, not so drastically, but just as definitely, everyone must be educated to the true values of fine diamonds and jewelry. All prospective customers must have the enjoyment and pleasure that come from understanding and appreciating gem stones. When such understanding is attained, the desire to own a gem stone becomes too strong to resist.

I firmly believe that through the years people in this country are becoming more "stone conscious." An increase in knowledge has brought an increase in requests we receive at the House of Winston for important stones. More and more people want his or her stone to be a gem, not only because of its beauty, but also because of its investment value. A perfect gem, however small, is a possession to be prized for generations. After all, what else but a diamond is there in this world that it is impossible to destroy?



HON. HARRY A. McDONALD

the Chairman of the United States Securities and Exchange Commission, was born in Cherokee, Iowa on June 17, 1894. He spent his undergraduate years in Chicago, taking a degree of Ph.B. from the University of Chicago in 1917. From 1917 to 1919 he served with the United States Navy and then was in business in Cleveland, Ohio until 1923.

Michigan has been his home since 1923. He is the founder of the H. A. McDonald Creamery Company of Detroit and of the Detroit investment firm of McDonald-Moore & Company, from which he resigned in 1947 when President Truman appointed him a Commissioner of the S.E.C.

On November 4, 1949 Mr. McDonald was elected as ninth chairman of the Securities and Exchange Commission, the first Republican to hold that office. After the passage of a recent law which authorized the President to appoint the chairman of the S.E.C., President Truman designated Mr. McDonald to continue in that post.

Mr. McDonald has expressed his philosophy as follows: "In business, I had no patience with grippers and complainers about government. 'Government is everybody's business,' I maintained. 'If you don't like what the regulators are doing, pitch in and try to show them the right way.' In government I have no patience with the professional regulators' gripes and complaints about business. It is my belief that a sound system of regulation, administered cooperatively and understandingly, will sell itself. If the system isn't sound in any way, the regulator should be the first to admit it and work to make it practical. If he doesn't, he can't complain when businessmen in a democracy try to get it changed."

28. Providence Ran a Hardware Store

EVERY YOUNG MAN at some time or other wonders whether he can be a salesman. I did, but not for long. Mine is a family of lawyers and a good part of my youth was spent dreaming of a career as a lawyer. I had very little doubt that what I wanted was to master the intricacies of legal thinking and to shine as a barrister.

I never became a lawyer, but I did become a salesman. I have sold shoes, drugs, automobile parts, electric current, ice cream, dairy products, and stocks and bonds. The turning point came one April morning when I assembled with the other students of the University of Chicago Law School in the students' clubroom waiting for word of President Wilson's message to Congress. There was no radio then; but the word sped to us as swiftly as though there had been. It was war. A fervor and a thrill swept over us. I wrapped up my academic degree and my two years of law school, put them on the shelf, and enlisted.

The war and my service with the Navy were short but long enough to bring me to a crisis of decision. The school atmosphere had been blown out of my life as though by the sea wind. I had a living to make and no taste or funds for going back to school. "What do I want to be? What do I want to do?" I had to ask myself these questions and declare myself. For better or worse I had to marry what is every man's wife—first or second—a career.

I chose to be a salesman. When I made the choice, I felt somewhat as though circumstance, like an insistent father, were prodding me down the aisle with a shotgun. I felt as though I had utterly abandoned my first love, the law, for a new mate. But as I look back I am not so sure that my feelings at the time were sound. Probably my intuition told me the truth: that the challenges of a successful career at the bar and in salesmanship are very similar, to meet and beat resistance and indifference; that my feeling for

people and my genuine desire to get to know them were prime raw material for good salesmanship; that salesmanship, like any worthwhile career, offered a lot of room for the development and expression of my own personality.

I had, even then, the inner knowledge that marks every true member of the fraternity of salesmen: the knowledge that a successful sale can give you one of the greatest "oomphs" of your life. For I had made a successful sale and prophetically it was a sale of stock, a small passage in the overture of my professional life that was to become one of its main themes in later years.

It happened this way. I had finished my first year in law school. No munificent patron saint was implementing me with capital or encouraging my education. I was educating myself and engaging in a pretty lonesome struggle with the world. To pay tuition, to buy books, to keep my shoes soled and my chin up were tougher assignments than to outline the rule in Shelley's case. My intimate familiarity with both ends of a floor mop and with the rinse-resistant qualities of cheese and soft-boiled eggs dates from that period.

I had tried just about everything and during vacation tried selling. I met the sales manager of a corporation that was being organized to manufacture an automobile accessory. If his name wasn't J. Rufus Wallingford, it should have been. He was florid, exuberant and persuasive. He looked me over as though I were in the paddock and convinced me (who had never sold anything) that I could sell, of all things, *stock*! He painted a rosy picture of what I could earn and, as I recall it, laid more stress on my probable commissions than on the merits of the shares. For all I knew his stock was bottled fresh air tinted with promise. But I was young; I was shown the factory and Mr. Wallingford convinced me that his array of machines was the last word in production technique, needing only some working capital to get into the big-time. I was sold. Mr. Wallingford gave me a kit of selling material, an order book, many words of warning and advice, and with a pat on the shoulder sent me to the hinterlands to sell others.

I went out armed with a mystical arsenal of pro-forma figures of earnings, projected financial statements, the order book, a life-sized desire to sell and earn—and bewildered. I stopped at a small town not far out of Chicago and registered at the local hotel.

The memory of the night prior to my opening day is still vivid. I have always been musical and I have a good share of the temperament and capacity for high tension that often goes with the musical bent. Awaiting an audition at the Metropolitan Opera could not have matched the anxiety with which I faced the coming morning. I pored over my kit of materials until my eyes ached. I conjured up forms of selling resistance unknown to man and broke opening after opening against them. I had to convince myself that I was doing the right thing, that the plant would produce, that the stock was worth while. I recalled some of the beautiful statements the sales manager had made and, reassured by them, I fell asleep, lulled into a sense of honorable expectancy.

As befitted my new station I ordered a bountiful breakfast in this little hotel, the works, for fifteen cents. Down the tree-lined sunny street of the hamlet I went, past a barber shop and a saloon. Why I dropped into a little hardware store in the middle of the block I shall never know. The proprietor was a small, grey man. He stood behind the counter of the shady store, watching me as I delivered my talk, his bright eyes behind his steel-rimmed glasses seeming to read the open book of my young soul.

When I was through, he turned and without a word walked to the back of the store. My papers were going back to the brief case and my heart was pushing down at my heels. But before I began to leave, I saw the proprietor come back toward the counter. From a littered, old-fashioned roll-top desk he had pulled a checkbook and he was bringing it back with him.

I still remember the color of the checkbook. It had a green cover. I watched him make out a check; it took him a long time, it seemed to be interminable, to write a check for \$115. When he handed it to me, I could have kissed him. I was making 20 per cent. I was so exhilarated and confused that I couldn't figure out what 20 per cent of \$115 was, but I knew it was a lot of money. I wrote up his application and receipt. I wish I could find a copy of that receipt now. It was a diploma of achievement that gave me a bigger thrill than my parchment scroll.

Whether that small man believed my story or was acting out of the bigness of his heart, I don't know. But because of his encouragement I walked out of that hardware store not on the floor but

higher than the floor. I was walking on air. I was, if you please, a salesman.

I have often wondered why my thrill was so intense. The nearest answer I can give is that I had fulfilled *myself*; that I had, like a good actor, put it over with the only medium at my command, *myself*. It seems natural to me, although it doesn't seem to be generally recognized, that a young salesman is likely to be sensitive and impressionable. Thank God for the little hardware store proprietor who listened attentively to my first story. Inclined as I am to believe in the Great Providence it seems to me that he was placed there to give me hope and encouragement. I have met many later who wouldn't listen to my story. It takes something out of a kid to be cuffed across the ear by a prospect. It has been my lot to tell many young salesmen since not to stake too much on the first sale and not to take rebuff from prospects too personally. A young fellow's zip and go are the sales manager's best assets. These assets are highly expendable, and it takes a lot of sympathy and understanding to restore what a tough customer has taken out.

In my early days I associated successful selling with my Mr. J. Rufus Wallingford, the spellbinder and spiel-maker. I read at length the current crop of well-phrased dissertations on the art of selling: the approach, knowledge of the product, mental attitudes, dress, stance and story. They were, I suppose, helpful. But they never quite caught the flavor of the real-life selling challenges I had to meet when, face to face with a prospect, all my skills and faculties intuitively arrayed themselves and it was up to me to put it over.

Nor did the books quite explain what I have seen time and again: men who seemed to have neither presence nor brilliance, some who were actually handicapped, producing sales and incomes beyond the hope of many of us. They worked; they were plodders; they used what they had to the maximum. They proved to me that many maxims are dangerous. I had been told: "Don't sell the steak; sell the sizzle," and I had been told that the salesman is supposed to supply the sizzle. But these men had no sizzle to supply. For them the price of selling success was high. They knew the price and it is a tribute to them that they made the bargain and paid.

My best inspirations and insights come from people. Not long after I left the Navy I began to hear about Grant of Chevrolet.

He had done the miraculous, pushed Chevrolet sales to the point where they had outstripped Ford. His name was magic; his reputation glowed; he was the greatest salesman of them all. To see him and to hear him became one of my ambitions. Grant was to speak at a local dinner and I looked forward to hearing him then as I have later looked forward to meeting the President.

My first sight of that man was one of my deepest lessons in salesmanship. Instead of the majestic figure I had expected I saw a man who would have been lost in a small crowd. What, I wondered, did he have that had enabled him to bring his product into the forefront of the giants? I soon found out. It was not dynamic radiance, although Grant had an intense charm. His speech was not in parables or that of the orator but one of simple declaration. His achievement was not in the play of personalities but in the power of planning and of ideas.

What he said I do not recall. But his message was himself, his success, and what it meant. He was the salesman you don't meet, but the man whose force of idea has put a certain toothpaste in your medicine chest and gas range in your kitchen. He was the brain behind the campaign, the man who proved that the job of mass selling can produce statesmen and generals of a stature equal to those whose names dot our history books. I saw the glimmer of horizons in selling the existence of which I had hardly suspected: the romance in selling which, like the romance in any large scale endeavor, exists behind the action line in the planning and the generalship.

In a small way I was able to carry Grant's inspiration into my own work. I had recently moved to another city to take on the job of sales manager for a highly competitive product. It was one that couldn't be sold on its merits alone. To convince a retailer to stock it meant to sell him against the constant, planned, resourceful strategies of competitors. Again I discovered what all of my experience has confirmed. People sell and people are sold. Like an orchestration of music that might look wonderful on paper but doesn't "sound" when played, selling theories live or die in the play of people on each other. My primary job, I discovered, was to inspire my salesmen, to give them a sense of participation in the whole show, to challenge their interest in the most interesting of all human pursuits, to meet and beat resistance and indifference.

It worked. And it was a new thrill, not like my first sale, but one of planned, intense, creative effort bearing fruit in the accomplishments of others. I consider myself lucky in that sense. The salesman who lives and dies on the leash of his sample case knows only part of the great drama of selling. Planning and strategy in salesmanship have developed to the point where specialists in mass psychology make selling policy without ever having looked a prospect in the eye. They too know only part of the drama. In an old-fashioned way I think that the cynicism surrounding mass selling through the new media, what has lately come to be known as "huckstering," has come about in large part because its practitioners have lost their contact with *people*. If Providence had given them just one experience like mine with the hardware store proprietor, they would have had a long-lasting inoculation against cynicism.

There is another layer to selling, and the man who hasn't known it hasn't tasted the deepest wine in the cup. I have. It is the wine, bitter or sweet, that the *owner* drinks when the sales returns come in. He is remote from the heat and thrill of the campaign; he has made the big decisions that precede it; he has fixed its objectives and invested his resources in it; his dedication to the product is either to be justified or mocked. But he can do little more than sit tight and bite his nails, waiting for the returns.

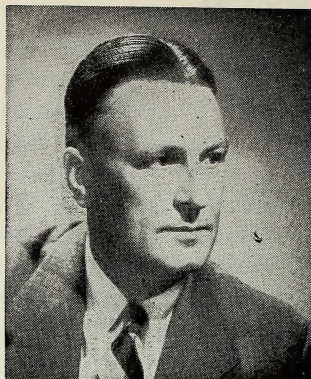
As an investment banker I have staked heavy capital on honeys, naturals, and self-sellers only to see them lag woefully in the race. Sometimes a sound investment that I thought would need pressure to get it over has leaped the hurdles by itself.

It is as the owner that you feel to the fullest one of the ultimate truths about selling: that it is one of the best defiers of logic. Like all human endeavor it often shows the influence of a power higher than human. There is one plowman who can say of all of us, "The best laid plans of mice and men gang oft alee."

In securities underwriting and selling I have spent the greatest part of my professional life. It was never planned that way, but my career has taken me step by step through all the levels of securities selling and, with a providential logic, to the position of Chairman of the Securities and Exchange Commission, which is the master regulator of all levels of securities salesmanship.

Each step up has given me a wider and wider view of the plain;

each has carried with it new perspectives. I like to live intensely, and it is usual for me to think of my present challenge as tougher and more exciting than those I have lived through. That certainly is the way I feel now. The stake is higher than any I have played for before. The stake is now the public interest. And the game is more complex and difficult. It is easy to be a tyrant, to dictate self-righteously in the name of the law. But my Commission doesn't work that way. Its basic laws assume that a securities firm can earn a living consistently with honest service to the investor and with the public good. To promote that end by balancing, by educating, by persuading, rather than driving is the challenge, a challenge to the highest salesmanship of all.



AL BURNS

Vice-President in Charge of Sales of the Chas. H. Phillips Company Division, Sterling Drug Inc., New York, came to his present position as a leading sales executive in the drug field in a rather roundabout fashion. He has been Vice-President of the Chas. H. Phillips Company Division, Sterling Drug, Inc. since 1944 and has been associated with this firm since 1933. But before that he had studied chemical engineering and law, had worked for the New York Telephone Company, and had sold office partitions for the Circle A Products Company and Globe-Werneck, of Cincinnati, Ohio.

Mr. Burns is a native New Yorker and attended New York schools. He studied chemical engineering at both Rutgers University and Alfred College. Then he spent two and a half years studying law at New York University. His first business experience was as a member of a gang building a fractionating unit for the distillation of oil.

While he was in the purchasing department of the New York Telephone Company, Mr. Burns listened to salesmen selling office partitions. He acquired knowledge of the product and thought he could do better than the men calling on him. That was how he became a salesman for Circle A Products.

Eventually he became a detail man for Nestle, selling baby food to physicians. Rather than detailing the medical profession, however, Burns preferred getting orders, and in 1933 began selling retail druggists on Phillips' products. After being a sales representative in Kentucky for a year, he was made sales supervisor of the company's eastern division. He held this latter position from 1934 until 1939, when he was made promotion manager. Five years later he was given his present title of divisional vice-president.

Mr. Burns represents Phillips on the Sterling Drug marketing committee, a group that works closely with the top management on sales advertising and merchandising problems.

29. Those First Twenty Seconds

THERE ARE as many different sales methods as there are people. You can even top that banality. You might very well say that sales methods vary endlessly in accordance with the momentary mental attitude and the physical condition of the parties to the transaction.

It is for this adventurous reason, perhaps, that I personally enjoy selling. Through the lengthy process that often lies behind the final clinching of any sale, the first 20 seconds, when you come in actual contact with the prospect on any day at any time are, to my mind, the most exacting, exciting, and important of all.

You may not be permitted the full 20 seconds, but you should try to get as much of that time as possible. Usually it amounts to the length of time it takes you to cross from the office door to the prospect's desk. Then you should be all eyes. Your head should be clear and your brain the receptive sponge it was created to be.

During those first 20 seconds you must make up your mind how you are going to approach and steer the forthcoming sales interview. A good salesman must be a fast psychoanalyst. You can make or break a sale in the time it takes to count from one to twenty as you cross an office floor to shake a prospect's hand.

In the field in which I am now, the drug business, you do not find yourself in this vital last-second situation as often as you do in some other businesses. More often than not, you have plenty of time to study the retail druggist who is usually busy when you drop in to his store. When you are selling brand-name, nationally advertised merchandise such as Phillips' Milk of Magnesia, Phillips' Milk of Magnesia Tooth Paste or Face Cream, all you need to do most of the time is to announce the name of your company. The druggist knows he needs your product to meet demand.

I remember not so long ago calling on a druggist at the end of a

long day. When we got to his store, two other drug salesmen were ahead of us and were waiting. Mr. Druggist was much too busy to stop what he was doing to talk to us. As we were shifting impatiently from one foot to another, however, wishing the busy druggist would turn to us, the door suddenly banged open, and a big bass voice bellowed out:

"X. Y. Z. Toothpaste."

Mr. Druggist snapped to attention, dropped what he was doing, came out from behind the counter, and gave his order to this fourth and last salesman. Naturally the three ahead were disgruntled. In fact, I was so surprised and interested as well as mad that I asked the druggist afterwards how it was that this last became first.

"Oh," he said; "that man—he's a miserable fellow. He's impatient and nasty. He won't wait a minute. But I know he's worth \$5 to me every time he comes. There's always that much extra profit in his product between trips. So I dasn't let him get away."

There, you see, was an exaggerated reverse of the first 20 seconds, which usually only are worth while to the salesman, not to the prospect.

In my present position I still go out with the salesmen to call on the trade. At least once a year I spend three weeks pulling door knobs. It's important for a sales manager to get close to his salesmen. That's the only way he has to pick up those needed facts, which the best of salesmen rarely write back to the home office.

Then, too, I have important wholesalers and chain store heads that I personally sell. But now, I find, I am selling ideas, rather than material goods. For instance, as this is written, men in my position are endeavoring to sell the big buyers in our field the importance of placing large orders for fast sellers in the face of the present tendency to place small orders frequently to keep down inventories. The first 20 seconds in these interviews retain their importance. For a classic example, however, of this point in salesmanship, I must go back some 20 years for my contribution to this symposium of sales tales.

I was working then with the Circle A Products Company, makers of office partitions. Our home office got a tip that a large manufacturing company in New Haven, Conn. was in the market for

what we were selling. My boss passed the word along to me with the injunction to be sure and get there early.

I was living in New Jersey at the time. I missed the earliest milk train I had planned to take. Thereafter, all the connections went bad. It was eleven o'clock in the morning before I reached the gates of the New Haven plant.

The receptionist directed me down steps to the basement. There was a partitioned office there, and outside on a bench were six representatives of competing firms who had beaten me to this sale.

As I walked over the cement floor of this basement corridor to the bench, I passed a window in the partition wall. Through the glass I caught a glimpse of a man in overalls behind a cluttered desk.

"Um," I thought, "so they're shunting us off on the janitor first."

From conversation with the other salesmen, I gathered they felt the same way. We were mad, all right, but there was nothing we could do about it. We sat there waiting our turns.

The man in the overalls, whoever he was, evidently had plenty to do. Or else he was playing the big shot. He took his time seeing us. It was four o'clock in the afternoon before I was motioned to come in.

I started from the bench and passed the window. I glanced through. As I looked the telephone rang and Mr. Janitor reached over to answer it. Evidently in response to some question coming through the receiver, the man in the messy overalls reached into his desk, pulled out a sliderule, and manipulating it rapidly and expertly snapped a reply into the mouthpiece.

"He's no janitor," I realized, as those first seconds started ticking away.

He had hung up the receiver as I opened the door.

"Come in," he called. There was a certain weariness in his voice. On the side of his desk in quite an impressive pile was all the literature I recognized had come from the salesmen who had preceded me. In my brief case I had the same type of material. The 20 seconds it had taken me to reach his desk, however, had been sufficient for me to make up my mind as to how I was going to approach this hoped for sale. At least, by now I knew he was not the janitor.

I put my card down silently on his desk. He picked it up. I gave him a chance to read it.

"Well," he began, "what's your proposition?"

Instead of answering him and immediately launching into my sales talk, I motioned toward the pile of literature on his desk.

"You certainly have had to listen to a lot of hot air today," I commented. "I've been waiting outside for five hours, and I know."

"You've said it," he laughed, and I could feel him relaxing. He reached again into his desk drawer. This time he pulled out a pipe. He filled it with tobacco and lit up. You can't hope for a much better beginning for an advantageous sales interview.

We had three or four minutes of casual conversation, which I could see he welcomed, before he reached forward on his desk, picked up the large pile of competitive brochures and hefted them.

"Our president is leaving tonight for a vacation in Puerto Rico," he said. "He'll be gone for four weeks. As plant engineer here, I have the job of making some interior changes involving partitions. The work has to be finished by the time the president gets back."

I refrained from opening my brief case and adding our brochure to the stack he was weighing. I had seen how the supposed janitor's fingers had worked as he had handled that sliderule. I could also see by the expression on his face that he didn't relish the thought of wading through those words and pretty pictures.

In my pocket I had a small miniature of our company's partitioning. It was like a puzzle. It showed exactly to knowing hands the principle behind our kind of product. I took it out and slid it casually along the desk towards his free hand.

The plant engineer dropped the brochures and picked up the gadget. I saw his eyes light up. I let him play with the sample. He knew what it was all about. You could tell that quickly enough. You could learn more about our partitions by handling that gadget than by reading all the available books on the subject. That at least was true if you had an engineering background and were not just a janitor acting as a buffer to the boss, detailed to pass along what you could see in print, plus what you were told. I noticed that he was recognizing by using his hands how the rails, posts and cornices of our partitions slid quickly and easily together.

"Simple, isn't it?" was all I said.

"That's the slickest thing I ever saw," he declared.

In my mind's eye I could just see that pile of brochures tumbling into the wastebasket. There were plenty of prospects to whom they would be appealing and convincing. But not to this particular fellow in his present mood and at this exact time at the end of a long and grueling day.

"How much?" he asked.

Then I knew the sale was on the make. Our prices were OK in comparison with our competitors. It wasn't long before the plant engineer was continuing:

"After all, we are in a hurry. I like the way your partitions go together. As I said before, our president is leaving for Puerto Rico tonight. If you'll have dinner with me, I believe we can get this all settled before eight o'clock."

This all happened in my salad days as a salesman, but, believe me, I was proud that night. It was an \$8,700 order and my commission was 10 per cent.

Since then I have made bigger commissions, but I've never forgotten the importance of those first 20 seconds when you meet and talk to a prospect.

Some time later for the same concern I learned that the first 20 seconds may be a long time coming, and that it pays to be prepared to use them effectively, when at last they do start ticking by. A Newark firm was putting up a new skyscraper. The man in charge of that order for partitions wouldn't even give me the chance to see him for 50 weeks. Once a week I called at his office. I never could get by the receptionist. She told me once that her boss was a polo player. She also told me where and when he played.

Now I knew nothing about the game. But I did want to make use of those first 20 seconds when and if I should finally be allowed to cross from this prospect's office door to his desk. So one Sunday I traveled out to Long Island where the receptionist had said a match was scheduled in which my man was playing. It happened that the next day was the fifty-first Monday I had called at this Newark office to try to sell Mr. Big my story about partitions.

By this time I knew the receptionist quite well and she was sympathetic. I put in a big plea to get by and into the office. She promised to try her best, but she had said that many times before

and I didn't have entire confidence that she would succeed this time. She left her desk and went into Mr. Big's hideout. I kept my fingers crossed. It probably was not long, but it seemed so to me, before the door opened again and the girl stood there smiling at me.

"You can have a minute," she said hopefully.

This time those 20 seconds were cut just about in half, because as I started from the door to his desk, Mr. Big rose from his chair and walked toward me. He was on his way out, it was plain to see. I was about to get the well-known brush off.

"Sorry," he began. "I have another appointment."

"That's all right," I said cheerfully. "I'm mighty glad to have this chance to meet you. I saw you play polo yesterday. That was an exciting last chukker when you shot that goal."

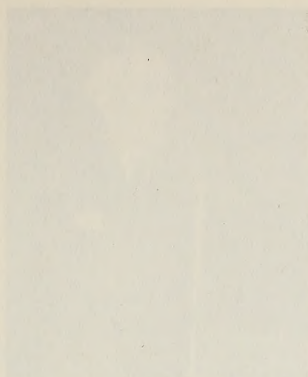
He stopped dead in his tracks. What was going to be a cold, brisk nod as he passed by turned into a hearty handshake.

"Do you play polo?" he asked with evident interest.

"No," I admitted. "But I do like to watch the game."

"Sit down," he invited. For five minutes we relived yesterday's match, which I had taken so much trouble to see, and about which, being ignorant, I had asked so many questions from others in the small crowd. The Sunday in Long Island had been well spent. The 20 seconds eventuated into a \$150,000 order for our firm, and a fat commission for me.

If you can possibly avoid it, never waste those first 20 seconds!





WILLIAM A. BLEES

is Vice-President and General Sales Manager of the Crosley Division, Avco Manufacturing Corporation, Cincinnati, Ohio. A Missourian by birth and a graduate of the University of Missouri, he began his sales career as a retail automobile salesman in Kansas City. He joined the Chevrolet Motor Company in Detroit in the early twenties and in 1929 became President of the General Motors Accounting Company and a director of the General Motors Holding Company.

During the early thirties he was elevated to Vice-President in Charge of Sales for the Buick-Oldsmobile-Pontiac Sales Division of General Motors.

When the merger of Nash Motors and Kelvinator took place in 1938, Mr. Blees joined the company to reorganize the Nash-Kelvinator sales organization. After completion of that task, he served three years as Vice-President and Pacific Coast Manager of the Young and Rubicam Advertising Agency. From 1945 until he joined Avco, he served as Vice-President in Charge of Sales for Consolidated Vultee Aircraft Corporation.

Since Mr. Blees has directed the Crosley sales operations, the company's advertising activities have more than tripled, and the company's sales promotion has been so greatly intensified that it has attracted national attention. His salesmanship and the revolutionary sales promotion activities that he has conceived for Crosley, such as the recent Two Million Dollar Giveaway, have been featured in articles in "Life," "Fortune," "Newsweek," "Pathfinder," "Business Week," and other national publications.

The Los Angeles Chamber of Commerce last November presented a special award for marketing merit to Mr. Blees, "for his imagination, daring, and merchandising skill, which are making such a laudable contribution to American prosperity."

30. Know When to Quit

ABOUT 30 years ago, after spending two years in agricultural college at the University of Missouri, I decided that the farmer had to work too hard to make too little. That was, of course, before the golden days of handsome government subsidies. So I quit and took a job in a lumber camp as a laborer. I worked ten hours a day, seven days a week for \$1.50 a day. Nights I helped the book-keeper, to bolster my income and learn something about the inside of the lumber business.

At the end of two months I felt that lumberjacks had an even tougher time than farmers. I knew the lumber business was not for me. So I decided to quit. I called for my pay and was shocked to learn that I had exactly 76 cents coming to me. Deductions for keep, clothing, and personal needs had reduced my earnings to that pittance. The foreman pleaded with me not to leave.

"Bill," he said, in a fatherly tone, "you're the brightest boy in the camp. You may be my assistant some day."

"And how much do you make, Mr. Wilson?" I asked him.

"Why, \$250 a month and board," he said proudly.

"No thanks," I said firmly. "I think I can do much better than that." I asked him to lend me \$25, which he did, and I went on my way.

Sixteen years later, Mr. Wilson ran into me in a hotel in Little Rock. I was then Sales Manager for a large automobile concern. He seemed glad to see me and insisted on coming up to my room for a chat. After a long talk, which I sensed was the prelude to a touch, he said:

"Tell me, Bill. How much are you earning now?" I mentioned a conservative five-figure income. He whistled. Then he burst into tears. He said: "You know what? I'm still boss of that

lumber camp—and still making \$250 a month! I wish I had quit with you!”

Knowing just when to quit a job or a prospect is an art, which it would pay you well to learn. I think I have developed it to a fine point. As soon as I realize that I have to put too much effort into something for the result expected, I give it up and go on to something more fruitful. One must know how to evaluate one's efforts to get the maximum results from them. When I know that by exerting the same effort on another job, project, or prospect, I can do better, then I shift. There's no point in throwing good time after bad, you might say, to paraphrase an old maxim.

Often, though, I quit simply because I have ceased to learn anything new from a job, or because my particular job is finished. When I was only 24 years old, I was making \$20,000 a year. The job was a cinch. I could play all the golf I wanted. But I was bored. Finally, I could stand it no longer. One night, as I sat down for dinner, I said to my wife: “Fran, honey, I'm quitting tomorrow. The job has stopped teaching me anything.”

Fran smiled at me and shook her head understandingly. Fran has gone through several cycles with me, some of them lean ones.

“Bill,” she said tenderly, “you know what you want to do. Go ahead and quit. You'll only be unhappy if you don't, and I'll be unhappy, too. We'll get along all right.”

Without that kind of mate, I could never have jumped around the way I did when I was young. And I'd probably still be a lumberjack or a bookkeeper.

The next day, of course, I quit. My friends were astounded. My future seemed bright and secure. Sure I was a success, but where could I go from there? No place, I decided.

The following day, I went to see a friend of mine who, I thought, was the smartest man in town. Selling was my real ambition. There is something basically American in that career, I thought.

“George,” I said, “you have to give me a job selling.”

“But, Bill, I can't pay the kind of money you have been making.”

“Never mind that, I want a job so I can learn your business.”

“Well, Bill, I hate to mention it, but I could use another salesman. But the job pays only \$51 a week, and you'll have to produce.”

"I'll take it. But I'm warning you. I'm going to bleed every scrap of knowledge out of you. When I'm finished I'll know all there is about selling in your business. Then watch my smoke."

For the next year, I actually picked everybody's brains. I sold too, but it was the toughest year Fran and I had ever had. It was a tough way to get an education, but it was worth it. At the end of the year, I felt ready for bigger fields. Chevrolet took me on to develop a method of automobile financing to increase sales.

Some people claim that auto financing, along with high pressure selling and the assembly line, made the automobile industry. Soon, when the opportunity arose, I moved into selling and became head of one division and then three in the hardest job I ever had. My earnings eventually topped anything I had made up to that time.

The trick was knowing just when to move: when I had sights on bigger game. It was also being absolutely sure that I could score a bull's-eye on the other target. Sometimes, though, you have to know when to quit to prevent yourself being caught short in a collapse.

Knowing when to quit is particularly important for a salesman above any other type of person. Only recently, a friend of mine was discussing a business confrere casually.

"John sure is a good salesman," my friend remarked. "He's the most persistent fellow I know. Once he hears of a prospect, he never lets him alone."

He went on to tell me how his friend, who represented a brochure-publishing house, pursued the remotest leads for prospects. After a couple of serious conversations and expensive luncheons he faithfully contacted his prospects every three months or so. Sometimes it was only a phone call. Sometimes he invited him out for luncheon, or a game of golf, or a fishing trip. Invariably, his prospect kept hinting that perhaps some day they'd come to terms. Actually, the chances of their ever getting together were as remote as Stalin and Truman belonging to the same Masonic Lodge. The salesman should have recognized early in the game that the "prospect" was just one of those maddening individuals who can never say No, not even a "tentative No!" He gets some kind of satisfaction out of encouraging the salesman to continue. It's more likely that he just wants the free meals and outings.

More salesmen in every field of endeavor waste valuable time through pursuing useless prospects than any other type of working man. Very often the fellow you approach to sell your product or service to without an introduction and with a convincing presentation in hand, is easier to sell than the chap you are introduced to at the nineteenth hole. At least he'll give you a quick and definite No, if he's not interested and will not string you along. Consequently, you'll save valuable time and energy, which means money, of course.

The same may be applied to advancement within a corporation. Originally, my training was as an accountant. I had known since I was a youngster that I had no more idea of becoming a C.P.A. than I did of becoming Ambassador to Pakistan. But I dutifully studied accountancy and became proficient enough for it to serve me in good stead to this very day.

Selling cars is one of the most competitive occupations. Every town in America has automobile dealers cheek-to-cheek, practically, along Main Street. Every one of these entrepreneurs has a tremendous investment in his dealership. To get it, he must be a man of substance. He probably belongs to the Rotary, Kiwanis, Lions, Elks, or some other fraternal organization; possibly to the American Legion and a local country club. He probably has connections in town politics, is active in community affairs and the church. Consequently, each dealer has as many good friends or contacts as another. The sooner auto salesmen realize that the better. There's no point at all, if you want to remain a successful salesman, in persisting in badgering a brother Elk to buy your Chevrolet if his brother-in-law is the local Ford dealer. You have to watch for different types of opportunities. If you're a Cadillac representative, for example, you must know when the veteran Buick owner is ready to step up out of his range.

On the other hand, you have to be sensible about your attitude of giving up or tackling something too big. Samuel Johnson put it succinctly: "If, before tackling any project, you first try to overcome all obstacles, you'll never accomplish anything."

One of my earliest associates taught me another good lesson: "Never grab a lion by the tail." He was a Chevrolet dealer. He said that there was no point in trying to buck the local Ford dealer,

his biggest competitor in a harmful way. Instead, he concentrated on getting *some* of the sales away from Ford, some from Chrysler, some from Nash, etc. There's plenty of business for everyone, he reasoned.

Right now, while I'm selling refrigerators, among many other things, I am applying my friend's philosophy. I don't worry about whether Crosley displaces Norge or Westinghouse. They all have good products and I'm proud to be in their company. We want to beat the leader. I try to teach our dealers how to snag *one* or *two* sales from *each* of our competitors. That way, none of them is hurt, and we increase our sales. We've avoided a costly price-cutting war; and we wind up way ahead of everyone else because no one pays too much attention to us—yet.

Shifting around for opportunities is good advice for young men in particular. Up to the time you are 35, you may make several false starts before finding your right niche. Will Rogers, for example, was broke and literally a failure at 40. Then he found his groove in the movies and became a millionaire.

Generally, a person is aware of where he's going by the time he's 35. It happens thousands of times each year that young men who graduated from college with degrees in, say, law—discover that they make better actors. Walter Pidgeon is a good example. Or, after training for medicine and even serving an internship, they realize that they are not in their right field. Robert Taylor is such a case. Others may find that they will do better teaching their specialty, instead of practicing it; or writing about it, or editing periodicals pertaining to it.

Oddly enough, very often these educated and forward-thinking young men who find it difficult to make good in the field they were trained for, turn to selling as the only way out. And quite often they make splendid salesmen.

Eventually, you have to know where you want to go; recognize the opportunity when it comes; take advantage of it in such a way that it doesn't hurt you or anyone else. Not everyone, unfortunately, recognizes an opportunity when it does appear. And many unfortunate people have erroneous ideas of their own abilities. That's why there are so many frustrated would-be writers, musicians, and actors in the world. They'd serve a much better purpose,

be better off financially, and be happier, if they realized that their talents just didn't equal their ambitions.

By the time a man is 35, of course, his family responsibilities are usually important. He can no longer gamble on moving around too frequently. Moving from one job to another, in fact, might indicate an unstable character. So he should consider settling into his groove for longer periods. Yet, in this very unstable age, he is often not allowed to do this. Through circumstances beyond his control, his company goes under, changes top command, drops his line, or has to entrench, and he is forced out.

This very often can prove to be a distinct asset. A man who finds he must change his job in his forties or fifties will find it much easier if he has already developed the resiliency to adapt himself to new conditions while on the way up. Good judgment comes with years, and later moves will be more cautious. But, with good judgment also comes the ability to recognize when you are wasting your time.

Knowing when *not* to quit, however, is just as important as the positive viewpoint. By this I mean having the courage of one's convictions. In recent years, I have undertaken some pretty bold promotional campaigns. Conditions called for it. The company that my outfit acquired was a sick dog, and we were faced with the fact that the buyer had become the boss again. Consequently, I pulled all the stops and let the ideas pour through the dam.

The ideas cost money—lots of money. Some of them were pretty radical, and people offered all kinds of reasons why they couldn't succeed. But no one had *proof* because the ideas had never been tried. I was sure in my own mind that my ideas would pay off. Sure, because years of staying out of a rut had taught me how to try new ideas.

Consequently, when well-meaning opposition was voiced against certain phases of my all-out sales push, I remained firm. It was like the crossing of the Rapido by our Army during the war. There were hundreds of reasons perhaps why it should not have been attempted, but there was a darned good reason why it should: The war had to be won. Once the decision was made, all that was left was to go forward and take the lickings, if and when they came. So nothing would make me quit or change a program that repre-

sented the best possible thinking I had in me plus that of my associates. To quit such a program would mean quitting my job. And it was the *wrong* time for that.

My present assignment is easily the most interesting one that I have ever had. I am learning things every day about that wonderful new field, television; about selling "white goods" to housewives and farmers instead of autos; and I am meeting new people all the time.

I don't imagine that I would be earning as much as I am now or that I would be in this position if I had stayed in the same routine during my early years. I certainly wouldn't have been happier than I am now. It is not possible that any of my previous jobs would have retained the amount of interest that they held for me when I took them. Once the knotty problems were solved and the ship was set on an even keel, I preferred to shift to another vessel or another line and leave the wheel in capable, younger hands. As a friend of mine once put it: "A mariner never became famous riding smooth seas."

It pays to learn when to progress. Thousands of people are sticking to jobs which they should have quit long ago. You may be one of them. We are entering an era of wonderfully new opportunities. The possibilities of growth are vast for young men and women looking to the future.

If you are in a job which is easy and doesn't begin to tax your capacity, look around for a better opportunity. It may be in your own organization or outside it. Prepare to move when the time comes by learning something about the job you are aiming for. But, build your bridges strongly behind you by preparing someone to take your place. You will never gain anything by quitting suddenly and leaving your employer in a hole.

Don't listen to people who, like my old lumber camp boss, say: "Stick with us. We have security to offer, a lifetime job." Then they insist on keeping you strapped to less than a fair income for your maximum output. "Lifetime security" just doesn't exist. It's a myth. If it ever did, it went up in the smoke of Hiroshima. The most secure business or profession can be turned topsy-turvy tomorrow by war, sudden economic break, or any one of a score of major factors. Wasn't the Insull utility empire "secure," until scandal scuttled it? Wasn't Wall Street secure until the crash of

1929 left it in ruins? And what happened to the automobile business, normally one of the most stable, immediately after Pearl Harbor? People who are content to wallow in so-called "security" rarely amount to anything.

I'm thinking now mostly about people on the way up, not necessarily successful businessmen or professional men, nor high-echelon executives of large corporations. Yet even a lot of these apparently successful people would do better to survey their situations and consider whether changing or even retiring might not be the best thing for themselves and their organizations.

A middle-aged doctor whom I know has a lucrative practice in suburban Long Island. He is eating his heart out and ruining his health, however, because he can't move to Southern California. He knows that he probably will never build up the practice there that he has here, but he doesn't care. He already has enough to tide him over comfortably for the rest of his life. And he does need the warm, dry climate for his health.

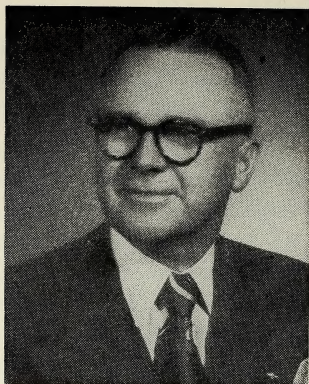
But his social-climbing wife's family and friends are all in the vicinity of their home so she won't listen to talk about moving. The only advice for that man is to quit his practice, despite his wife's protests. She'll adjust herself to the new situation or leave him, which would probably be just as good.

Some men are successful financially, yet unhappy in their jobs because they have long ceased to give anything to them. However, their jobs are taking things out of them and driving them to an early grave. They sometimes wind up as alcoholics, or suffer nervous breakdowns, heart ailments, high blood pressure or ulcers. It's just as important knowing when to quit a way of life as a job.

Naturally, I'm not advocating a wholesale shifting of jobs in America. That would undoubtedly disrupt our economy, and I'm cognizant of the fact that we may have some unemployment. But there's always room for good men, and changes always offer opportunities to people ready to take advantage of them.

There's no doubt that you can improve your happiness, health, and finances by knowing when to quit and then quitting. Don't listen to the little lady who is afraid to change her surroundings or standard of living. Don't be lulled into accepting mediocrity by soothing talk about evanescent security. Better yet, learn to weigh your own capabilities and extend yourself to the fullest. Try

overextending, in fact, to test just how far you can go. You may be surprised to learn that you have underestimated yourself. Or, you may find that you can grow into a bigger job. After all, a former haberdasher who had no idea of ever becoming President of the U.S., literally was forced into it.



GEORGE S. JONES, JR.

Vice-President in Charge of Sales, Servel, Inc., Evansville, Indiana, was born September 3, 1891 in Macon, Georgia.

After graduating from Georgia Tech, in 1912, with a B.S. degree in electrical engineering, he began work immediately for the General Electric Company.

In 1922, he resigned from the General Electric Company to take a position with the Georgia Power Company. He left two years later to become sales manager of the Texas Power & Light Company, and in 1925 he became assistant general manager of the Dallas Power & Light Company.

While in Texas, Mr. Jones was active in pioneering the new field of automatic refrigeration, and because of his belief in the future of this new industry he joined the sales department of the Frigidaire Corporation, Dayton, Ohio in 1926.

With the announcement of a successful air-cooled gas refrigerator by Servel, Inc. in 1933, Mr. Jones immediately saw the greater possibilities in the gas industry and joined the company as district manager in Texas. He was appointed regional manager at Dallas the following year with charge of approximately the same territory he had served for Frigidaire.

In 1936, Mr. Jones was appointed Vice-President and General Sales Manager for Servel, Inc. Since that time he has made his home in Evansville, Indiana, where Servel's large factory devoted to production of gas refrigerators, gas air-conditioning equipment, and gas water heaters, is located.

Residence in Evansville, Indiana, just across the Ohio River from Kentucky, permits Mr. Jones to indulge in a small way the enjoyment of his chief hobby which is the raising of registered saddle horses.

31. Three Lessons Learned by Sales Managers

Editor's Note. We found these three experiences such fine examples of management thinking that we decided neither to rewrite them nor trim them down. The entire letter of contributor George S. Jones appears just as he dictated it.

J.M.H.

I have just fully realized that my delay in not answering your letter of invitation was only about 5 per cent because I was otherwise occupied, and about 95 per cent because I didn't know exactly what to write about.

Following the instructions that I believe are the best given to anybody who attempts to write anything, and that is just to sit down and start writing, I determined that on this mid-winter day at my home I would start dictating one of my outstanding sales experiences as requested by you.

After quite a bit of consideration I have come to the conclusion that my life as a salesman must be a rather unique one because I can't recall any outstanding incidents, which were unique, ingenious, or clever, that might be used as an inspiration to the future generations of salesmen. Most of the jobs that I have taken pride in have been jobs that have resulted from long, serious, tedious, and carefully planned contact and association. There's nothing glamorous, very little of particular interest, and nothing educational except to confirm the adage that there is no easy or royal road to success even in selling.

I am going to attempt to tell you, however, of two or three experiences I have had that have stood out as beneficial to me in my sales work. These experiences would probably be beneficial in any kind of job, but I believe they have some relationship to selling. For instance:

Experience No. 1. I have always considered that market re-

search, surveys, and forecasts are an important part of any sales management planning. As I look back on the reasons for my great belief in these things as guides, I believe the beginning took place nearly 35 years ago when I had just finished the engineering course of the General Electric Company and was put in the Cost Department for further education. I was assigned to a section devoting its time to cost accounting on small motors, and after a few weeks had learned how to make some cost analyses from studying blueprints.

During the absence of my section chief on another assignment that took him out of town, the manager of the Lynn works of General Electric Company called me into his office and gave me a small motor generator set designed by Gray and Davis, I believe, to be installed on Ford automobiles. This, of course, was in the days when starters were not common equipment. He told me to figure the cost of manufacturing these in 10,000 lots with full tool equipment. I went back to my desk completely flabbergasted, and for all of the rest of that day sat and looked at this fiendish item in a daze.

That night at home I decided I should get fired for doing something wrong rather than for doing nothing, and for the next three days, with the aid of screw drivers and pliers, calipers and a small scale, I disassembled and carefully weighed and guessed at the cost of each item contained in that motor generator. I took the final figures to Mr. Fish, the works manager, who compared them to some figures he had in his notebook and shocked me into another state of stupefaction with the statement that my figures checked the information that had been given him. He had doubted this information because it was given him by a competitor and was within less than $\frac{1}{2}$ of 1 per cent of the estimated figure—somewhere, as I remember, in the neighborhood of \$35 or \$36.

A few days later my section chief returned and, of course, found it desirable to check my estimate. With a great deal of amusement he told me that of the 1,000 or 1,500 computations I had made, he was unable to discover even one that was accurate; but he explained to me very carefully, and very graciously, that both the law of averages and the law of compensation had worked in my favor and the errors on the minus side had offset the errors on the plus side so

that at the end of these several hundred computations I was very near accuracy.

Even today I have occasion to remember that lesson. If I can get 1,000 dealers to tell me what they expect to sell in a given period, I know that the answer will be approximately correct even though no one dealer is correct in his own figures. Today as I look at reports of sample testing of customer preference, I am inclined to give credence to it because of this early lesson I learned. If you make enough estimates and add all of those estimates up, you will get a pretty accurate answer, a much more accurate answer, incidentally, than if you attempted to guess at the whole without guessing at the several hundred components.

Experience No. 2. A good many years ago I became convinced that a person learned more by the errors and mistakes he made than by other methods. He benefited, however, only if he attempted to analyze and, if possible, correct those mistakes. I discovered that if action was taken immediately when the mistake was discovered, you benefited to a much greater degree than if you let it drag out.

Along about the middle thirties I was given some additional territory and notified of this addition by the sales manager who told me that the chief distributor in the new territory was holding a meeting a day or two later of all his dealers in connection with another item. This meeting would give me an opportunity to meet all the dealers as well as the personnel of this particularly important distributor.

I took advantage of the opportunity and attended that meeting. I was called on to make an impromptu talk, and that was when I made my mistake. I knew that we had ready for announcement within a few days a new refrigerator that was a definite and decided improvement on the one we had been building. I was familiar with the situation existing in so far as inventories and stocks of the distributors with whom I had been dealing might have been concerned. Without thinking it through I announced in my impromptu talk that the dealers would be tremendously impressed with the new refrigerator, which was such a decided improvement over the older one.

What I did *not* know was that the distributor had overbought and still had a very large inventory of the soon to be superseded model in the warehouse in his home city.

I had to leave before the final part of their program, and the next day in another town I was called on the phone by my sales manager who asked me what in the world I had done to justify the distributor calling him and telling him never, under any condition, to permit me to return to that town. Although I was only a few miles away from my home and several hundred miles away from the scene of my crime, I immediately started driving, without even stopping for a toothbrush. The following day I went in to see the distributor, explained my error, apologized, and assured him that I could render him satisfactory service because of my knowledge, acquaintanceship and experience in that particular area. After one of the most intensive selling jobs I ever did in my life, I secured at least his approval for a trial period. He withdrew his request to our sales manager and permitted me to begin functioning as a district manager in charge of that area.

The fact that this distributor contributed greatly to the progress of my territory was largely responsible for subsequent and pleasant promotion. The lesson, I hope, is obvious and multiple. First, be sure of your facts before you make any statements. Second, if you have made a mistake, as we all do occasionally, lose absolutely no time in trying to correct it.

Experience No. 3. The rapid growth of sales volume on one of the major products I was handling had caused the management of a certain utility company to hesitate to put the amount of money needed to carry on such a large operation in the hands of a department manager who had not previously had experience handling that large a sum. I asked for and secured an audience for the avowed purpose of convincing the management that this should be done.

In the course of my discussion with the management I pointed out that the utility could best serve its own purpose by introducing and promoting this relatively new appliance and that they could do so at a merchandising profit. As proof of this last fact, I quoted the experience of a distributor in a neighboring state where by legislative action the utility was prohibited from merchandising. This distributor had sold a very large volume of our products and had reached a volume of sale that was the objective we were aiming for in the coming year's plan in the local situation, and, of course, he had done so at a profit.

I was immediately asked by the president of this utility if he had understood me correctly to say that the dealers and distributors in that neighboring state had done a satisfactory job. I said, thinking I had convinced him that there was a merchandising profit in the picture, that this was certainly correct. Of course, he told me that that was exactly what should be done in his case. He did not see any need in doing the merchandising job if a distributor and his dealers could do it equally well.

The result was that it was several years before we reached the volume of sale in that territory, which I am sure we would have reached in that first year. The reason for my failure was that I had overlooked the fact that in attempting to convince the management that they could do this job and at a merchandise profit, I placed in their hands the most effective argument for them not to merchandise at all.

Again here we have one of the very basic principles of selling: Always tell your story in terms of the desires of your prospect and not in terms of what you yourself would like.

Obviously, Mel, you can take any one of these or none of them. You can rewrite them, as I suggest you do, and you can trim them down to the right size if you finally decide to include any one in your collection of lessons learned by sales managers.



J. E. ROWLAND

of the Elliott Rowland Corporation, Philadelphia, was born in London, England and educated at Elwick School, West Hartlepool County, Durham. He emigrated to the United States when he was 17 years old.

Mr. Rowland was employed by the White Sewing Machine Corporation as salesman and later was Manager of the Utica, N. Y. branch until he was transferred to Schenectady and put in charge of the New York State district. Later he became Branch Manager at Philadelphia. He left the White Sewing Machine Corporation when they abandoned the branch office operation.

Mr. Rowland worked for a short period of time with the Regina Corporation, selling vacuum cleaners, and on October 1, 1932 he became Manager of the Vacuum Cleaner Department of the Elliott-Lewis Electrical Company. On June 1, 1933, he was transferred to the Heating Division as Sales Manager. He assumed the position of General Manager on January 1, 1936. In 1939, when a separate company was formed to handle such items as heating and air conditioning, he was named President and became part owner. During the ensuing years this business enjoyed rapid growth and became a national leader in the sale of automatic heating, air conditioning, and combination windows.

Mr. Rowland resigned from the Elliott-Lewis Corporation in November 1949 and in partnership with Frank Elliott formed the Elliott Rowland Corporation to distribute automatic heating, combination windows, and kitchen cabinets and sinks.

During World War II Mr. Rowland was Operations Officer in the U.S. Coast Guard and was assigned to the Fourth Naval District with the rank of Lieutenant Commander. He is a Past Master of the Puritan Lodge of Masons, a member of Mary Commandery and Scottish Rite bodies, thirty-second degree, and the Lulu Temple Shrine in Philadelphia. Mr. Rowland is a member of the Union League and Bala Country Club. He is a Director of The F. C. Russell Company, Cleveland, and Vice-President of the Rowland Motor Company, Inc., Coatesville, Pennsylvania.

32. Desperation — Perspiration — Inspiration

ENGLAND is a country of tradition, so that it follows as night follows day that a boy must follow in his father's footsteps. My father was in the sewing-machine business, and my earliest recollections were of sewing machines, installment accounts, delinquents, repossessions, and trade-ins, all of which was fascinating to me. However, my father had made up his mind that his son was not to be in the sewing-machine business, and when I left school at the advanced age of 14 years, I got myself a job as office boy with a firm of lawyers.

Life in an office was not for me, so after 18 months I quit and got a job with a photo-enlargement concern, collecting installment accounts, tracing skips, and delivering enlargements. I held this job for two months without telling my father that I had changed jobs. When he found out, he decided that as long as my desires tended toward that type of business, I would be better where he could keep an eye on me. So I was placed with the Shipley (Yorks, England) branch of Singer Sewing Machine Co., Ltd. My father was Branch Manager at Bradford, and the rules forbade father and son working in the same branch. So each morning I mounted my bicycle and rode 12 miles to work and reported at 9 A.M. Then I rode out in the country and punched doorbells.

There is a big difference between specialty selling in England and in the United States as I found out when my father, mother, and I emigrated to these shores in November 1912. A sewing machine salesman in England, who could average a sale per week was a crackerjack salesman. In the United States, if you could not sell a sewing machine per day you were just one of the pack; the topnotchers sold two to three per day. I was not long in this country when I discovered that I had to travel awfully fast to keep

from going backwards. With this preliminary introduction of my very brief background, I will go into the three sketches I have selected as the most interesting sales stories I can remember. I like to think of them under the titles of "Desperation," "Perspiration," and "Inspiration." So let us go on:

Desperation

I had been in this country about three years, was nearing 20 years of age, and was a full fledged veteran sewing machine salesman. I had become a crew manager with a crew of myself and two canvassers. Each day we would load two sewing machines on the platform rack of the Harrell buggy; the three of us would climb up in back of faithful Nelly; and we would jog outward bound at a snappy five-to-six-miles-an-hour gait. (Incidentally Nelly came home much faster.)

One of my canvassers at the time was a Portuguese-American by the name of Joe Ferreira. Joe was born in New Bedford, Mass., where we were working at that time, and spoke fluent Portuguese.

There is a large Portuguese population in New Bedford, most of whom have migrated from the Azores Islands. Portuguese women are thrifty, and one of their prized possessions is a sewing machine, which they guard jealously and will not allow anyone but themselves to use. New Bedford at that time was a thriving textile center, with a predominant French, Portuguese, and English population, the majority of whom worked in the cotton mills. My crew consisted of myself, an Englishman; Joe, Portuguese; and Louis, a Frenchman, so we had the front well covered, and we sold plenty of sewing machines. Most of our sales had to be closed in the evenings, as in many cases both husband and wife were working in the mill.

Holy Week was usually a tough week because people were interested in new clothes for Easter, flowers, and their religious duties at church. They were not interested in sewing machines. We knew this, but we made up our minds that we were going to have a good week. Joe had two little girls and announced that they had to have new dresses, coats, and hats, and he wanted to buy his wife an Easter bonnet.

On Monday Louis stepped "off the wagon" and that meant two

to three weeks before we would see poor Louis again, so Joe and I worked on together. My luck was pretty good, but poor Joe could not get a break. We never worked harder, but Joe could not break the ice, and by the time that Thursday afternoon rolled around I had sold four sewing machines and Joe none.

We were jogging along County Street, on the way to the stables, so that Nelly could have her dinner before we started out on our evening calls when Joe told me he would not be with me tomorrow. "How come?" I asked. "Well," said Joe, "tomorrow is Good Friday, and ever since I can remember I've always spent Good Friday in church, and this Good Friday is no different." Well, I tried to argue with Joe that his wife needed her bonnet, and the kids their new Easter duds more than he needed the church; but it didn't take many minutes for me to realize that although Joe would reason most problems out, religion was different. I just didn't understand, so we dropped the subject.

Shortly afterward I stopped the horse in front of the rectory of a beautiful church, and Joe wanted to know why. "Oh," I said nonchalantly, "I have a call to make. I'll only be a minute." "But wait," said Joe, "that's where my priest lives," but I just waved, went up and rang the bell, and asked for Father Xavier.

Invited inside I waited only a few minutes when the Reverend Father invited me into his study and asked my pleasure. I explained to him, somewhat apologetically, and with some trepidation, that while not of his faith I was presuming to discuss the problem of one of his parishioners with him. I then explained that Joe had just told me he would not work on Good Friday, that he had had no business for the week, and how disappointed his family would be if Joe could not afford to give them their Easter fineries. I wound up my talk by saying that I thought God's cause would be better served if Joe put in his Good Friday at work rather than at church, and asked the good father if he wouldn't advise Joe. He smiled and rose from his seat, went to the door, and called to Joe to come into the rectory. When Joe found out the purpose of my visit, his face turned white. I had never seen him so angry, but the priest soon cooled him off. He told Joe that I was right. He wanted him to come to early Mass, and he would say a prayer for him, but then the rest of the day he must work.

At nine o'clock the next day we were canvassing hard, but by

afternoon Joe's luck was no better. I had secured two sales but Joe had not even had a demonstration. We both had an appointment for the evening. Once again Lady Luck was fickle. I would much rather have seen Joe hit, but it was not to be. My appointment turned out to be a "pushover." It was a sale with hardly a demonstration. But in Joe's case we battled for an hour, but it was all to no avail, so we loaded the sewing machine back on the buggy and decided it was just one of those things.

As we headed for home, Joe had an afterthought. He had been tipped off that some immigrant Portuguese had taken rooms with a "boss" during the past few days, and he wanted to stop and check on it. It was customary for newly arrived Portuguese to rent rooms from a boss until they became oriented and had secured jobs for themselves. Then they would get their own flat. Most of these people had spent most of their savings on the fare to come to this country, and had barely more than the minimum amount prescribed by law, which I believe at that time was \$50 a head. This boss would lease a flat, usually seven rooms. The kitchen would be a community eating place, and each of the other rooms would be rented. The furniture would consist mainly of a bed, a dressing table, a chair, and a trunk which contained all the immigrants' worldly possessions. The first purchase they would invariably make would be a sewing machine. It seemed an unwritten law that no Portuguese woman would ever think of borrowing another woman's sewing machine. If she couldn't afford her own, she went without.

This particular rooming house was on the top floor of a tenement house, four flights up. Joe and I went upstairs together and went inside. There were about a dozen men and women sitting in the large kitchen together, talking. After about five minutes of conversation in Portuguese, Joe nudged me. This was the private signal for me to bring in the sewing machine to be demonstrated. I loaded the machine on my shoulder and climbed the four flights. Because the old-type treadle sewing machine weighed about 135 lbs., and one had to be husky to handle it alone, my walking in the door with the machine on my shoulder caused considerable laughing and talking among all the people. Joe hastened to explain that he was as surprised as they were but that I had figured he could show them what he was selling better if he had the machine there than by a catalog. I then proceeded to demonstrate the machine and

Joe interpreted all the features. The women got a big kick out of a young fellow being so handy with the use of the attachments and other features of the machine.

In the meantime Joe was keeping up a continuous chatter, and I noticed that he had singled out one particular couple to concentrate upon. But others were also interested and joined in asking questions. We had been there for about 45 minutes when Joe whispered to me that there was a possibility of two sales. Would I mind going down and bringing up the other sewing machine? These people always wanted to see what they were buying. I reminded Joe that we had already sold the other machine, and had only an old trade-in on the buggy. "Well then," said Joe, "would you mind going back to the warehouse and getting another machine?" Under the circumstances, what could I do?

It was then about nine o'clock. After a half-hour drive I had to uncrate the machine, clean it, test it, and drive back. I returned, toted it up the four flights, and walked in again amidst a lot more merriment and laughter.

The conversation in Portuguese went on and on. Then Joe sheepishly whispered that it looked like four sales and asked whether I would go back and bring two more machines. I suggested we sell the two first because if we didn't succeed, we would be in a predicament carrying four machines out. But Joe said it was four or none, so back I went and at 11:30 returned with two more. At 1 A.M. we walked out with four cash sales. These people seldom bought on installment. Yes, Joe had made enough so that his wife had her Easter bonnet and the kiddies had their new outfit, and even Joe came to work the following Monday with a new gray fedora. So everyone was happy.

Perspiration

Two years later I was still in the sewing-machine business but I was now managing a branch office in central New York State. One of my crew managers was in a slump, so I suggested to him that I would go along with him the next day and we would see what we could do to snap the slump. The next day we loaded the two cars (oh, yes, by this time Henry Ford had supplied his famous Model "T" to replace Nelly) with two sewing machines each, and

we started off early in the morning. I took one of the canvassers in my car and Jones took the other canvasser with him.

When we arrived at our destination, we all started to canvass. In a very short time we had our first demonstration, but it was no sale. We had started work at 9 A.M. and outside of about 30 minutes at noon for lunch, we worked continuously until 5 P.M. We had had at least ten or twelve demonstrations but could not push over the sale. So it looked like the slump was still with us. I suggested we start back for home and find ourselves a place to eat on the way. I would lead the way because I had a skip account that I had a lead on and thought I could locate their whereabouts.

About 7 P.M. I pulled up in a small village and started to make inquiries about the whereabouts of my "skip." I got my directions and finally located my party, made my collection, and went back to rejoin Jones. While waiting, his canvasser had improved the shining hour by getting a demonstration, and at 9:30 P.M. Jones came out of the house with our first sale.

We started back for home feeling a little better but certainly not feeling too elated. Jones was leading when I saw his hand go out in a "stop" signal. When I pulled up behind him, he said that Maje, his canvasser, suggested that if each of us would canvass a house, he would also canvass one, and we might get a sale out of one more effort.

It was then 10 P.M., and long past bedtime in that countryside. Although it seemed futile, what could I say? At the house I canvassed, the people were already in bed, and I got a bawling out from the bedroom window about disturbing people at that time of night.

I got back to my flivver and found Tommy already there. He had had no better luck. So we cranked up Lizzie and about a half mile down the road we pulled up in back of Jones, who said that he had just got out of reach of a dog in time. I asked where Maje was, and was told that he had gone up to "that big white house." We waited for about five minutes and I decided to give him a hand.

As I got to the door, I saw Maje talking to two women who proved to be a mother and daughter-in-law. When I came up, Maje gave me an introduction and explained that he was telling these ladies of the National Contest that was closing that night, that we were fighting for points, and that a demonstration counted five

points. I picked up there, and we finally succeeded in getting permission to make a demonstration. After about half an hour I had learned that mother was definitely in the market for a new sewing machine and I was concluding my demonstration and swinging into the "close" when who should walk in but the two husbands, father and son. They were returning from Albany where they had been to lodge meeting.

After I had made apologies and had finally started to close the sale, it developed that Junior and his wife were only living with Mom and Pop until their new house was finished, and they, too, were in the market. I went to the door and whistled to the boys to bring me in another machine. There was no answer. I hated to leave the house, but I had no alternative, so I ran out to the road. There were the three of my cohorts, sound asleep. I roughly aroused Maje, and told him to carry in another machine.

At 2 A.M. I walked out with a check for the two sewing machines. We arrived home at 3 A.M. and our good wives were far from convinced by the story that we had been working. People don't buy sewing machines at 2 o'clock in the morning, but in this case they did.

Inspiration

Time elapsed, and I had left the sewing-machine business. It was 1924 and I was now selling typewriters. The company, today one of the leaders in the typewriter industry, was fighting for its place in the sun.

My job was in the National Accounts Department, calling on companies in New York City that were large users of typewriters. Most of these companies were already committed to contracts with old typewriter manufacturers, and my job was to unfreeze them. The biggest problem was to get to "Mr. Big" who had the final say of "Yes" or "No." He was always closely guarded by a receptionist and a secretary, so strategy had to be employed. It was quickly apparent that the direct approach of sending in a business card was useless. The answer came back invariably: "Not interested in any change at this time" or "Too busy now."

Then I tried a new method of attack. I entered the reception room of a large insurance company, explained to the receptionist

that I was making a survey, and would like to have the name of the Office Manager. She told me his name was John Rowland. The name is not too common, but I gave her no indication of the coincidence, wrote it down, thanked her, and left.

I went back at 12:05 and peeked in the door. Sure enough a substitute receptionist was at the desk. Nonchalantly I entered and asked, "Is Jack Rowland in?" "I'll ring and find out," the girl replied. "Oh, said I, "that's unnecessary. I know where he is. My name is Rowland."

With a disarming smile I walked on through the door that led into a huge room with many desks and many private offices. Stopping at one of the desks I asked the occupant to point out Mr. Rowland's office. He did so and I walked up and said, "Mr. Rowland, I wanted to meet you because we are namesakes, and I was wondering if we had any family connection." He was just as pleased to meet a namesake as was I, and although we soon established the fact that there was no family connection, we chatted for ten or fifteen minutes. Then I mentioned my business connection, and asked him if he placed the orders for typewriters. He told me they had an arrangement with one of our competitors, and that new machines were requisitioned by the head of the Stenographic Department. I asked him if he would mind introducing me to her, so he took me to the next floor and into a sound-proof office and introduced me to Miss Antonucci, a very charming and intelligent Italian girl. Mr. Rowland excused himself and left after asking me to stop and see him again.

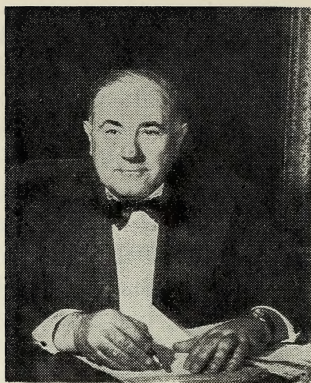
Miss Antonucci immediately asked about the similarity of names, but I brushed this aside by saying, "I don't think it would be fair to bring a family connection into this." I asked her permission to send one of our secretarial machines in for her to test personally. This she agreed to. I went back to the office and saw to it that the machine was carefully tested and then escorted the delivery boy back to the office of the insurance company, making a stop-off on the way to purchase a five-pound box of Huylers chocolates, and writing a little note, expressing my appreciation of her courtesy. The boy made the delivery, and later I stopped in to instruct her on the basic differences and features of my typewriter.

The box of chocolates had really broken the ice, and I found a very receptive young lady. I noticed she was wearing a solitaire

diamond on her left hand, and she admitted she had just recently become engaged to be married though no date had been set.

At that time there was a musical comedy playing on Broadway, which was packing them in, and seats were as hard to get as the current *South Pacific* show. The show was called *Lucky Girl*. When I asked her if she had seen the show, she admitted that she had not and wanted badly to see it. I told her I had two tickets for Saturday night, and suggested that she and her fiancé accept them as I had to go out of town. She was delighted. After leaving her I made arrangements to get two tickets, which was not easy, but we had connections. The next day I delivered them to her. Saturday morning (in those days offices worked five and a half days) I sent an orchid corsage with my compliments.

Monday morning I made a call, received her thanks for the corsage and a wonderful evening, and picked up her requisition for 50 typewriters, which I took to my namesake and had converted into an order. Yes, this company now has standardized completely on the typewriter I was selling. Over the years the ground work that was laid on a coincidence of names, a five-pound box of candy, two tickets to a Broadway show, and an orchid corsage have resulted in the sale of thousands of typewriters.



JOSEPH A. KAPLAN

President, Comprehensive Fabrics, Inc., New York, N. Y., was born in New York on August 30, 1895 in Greenwich Village. He attended Public School #3, one of the oldest schools in New York City, at Hudson and Grove Streets. His father, Isaac H. Kaplan, operated a paint store at Hudson and Perry streets and it was there that young Kaplan got his first experience as a salesman. Like the majority of his contemporaries in DeWitt Clinton High School, he had a newspaper route. He delivered papers in the area from Sixth Avenue to Madison and from 49th to 53rd Streets. On the list of his customers were names that loom large in New York history, Sloane, Frick, Goellet, Plant, Russell Sage.

At the age of 17 young Kaplan got his first real job selling paints for a small manufacturer in New York City. He worked for this concern until 1917 when he enlisted in the U.S. Army and became a truck driver for the Fiftieth Regular Army Division, seeing service on all the European fronts. After his return from France he married, and he has two sons, Harold and Arthur. His first job after being demobilized was as a salesman for a New Jersey bathroom fixture manufacturer, where he remained until he went into the same business for himself as Joseph A. Kaplan, Inc. In 1939 he organized Comprehensive Fabrics, Inc. to distribute products made of the vinyl resin, Koroseal, developed by the B. F. Goodrich Company. Today he is president of Comprehensive Fabrics, Inc. and is chairman of the board of Jos. A. Kaplan & Sons, Inc., both located in the Empire State Building. He is also Vice-President of the National Housewares Manufacturers Association.

33. Beer Tube to Bath Tub

THE STATEMENT that a shower curtain and a piece of beer tubing paved the way to a half-billion-dollar industry probably sounds like one of the teasers in a pocket detective mystery, such as "what part did a pink pearl button play in the solution of Agatha Ackeroyd's murder?"

But these two articles, which seem to have nothing in common, play key roles in the two-part story of the biggest sale I ever made.

The story starts 30 years ago. After doing my stint as a truck driver with the A.E.F. in France in World War I, I came back to New York, my home town, to make a modest start in business. A friend put me in touch with a bathroom fixture line with headquarters in New York. I knew as much about bathroom fixtures as an Eskimo knows about the hula-hula, but I had sold paints before I went into the service, and I'd sold newspapers before that so I figured I could sell toothbrush holders and soap dishes.

The first town I tried out with my soap dishes and towel bars was Perth Amboy, New Jersey. I walked into a hardware store and to this day I don't know how it happened, but I walked out with a \$400 order. That gave me confidence. I decided the bathroom fixture business was for me. That first week I did about \$1500 worth of business and in ensuing weeks my orders grew larger.

At the end of four years I was allowed to put "Sales Manager" after my name, and the company was doing about \$250,000 a year, a good-sized business for such an enterprise.

Then I asked myself the question, "Why not have a try at establishing a business of my own?"

My capital was pretty small so the best I could do in the way of an office was half a room at 1107 Broadway. I was my own sales staff, shipping department, and bookkeeper. I would go out, call

on the stores, and get orders. Then I would go to the basement to check in my deliveries, pack merchandise, type the bills myself, and deliver the orders to the New York stores.

Business was good because that was during the great building boom of the Roaring Twenties, and apartment houses were shooting up in New York faster than mushrooms in a Jersey meadow after a spring rain. Architects and builders were engaged in a feverish race to devise new conveniences and gadgets to attract eager and prosperous homeseekers.

One Sunday morning I picked up my New York Times and in the course of digesting its 50-odd pages finally arrived at the real estate section. One builder had used a considerable part of a half-page ad to describe the shower baths that were a feature of his apartment house. I turned to the next page and found another real estate advertisement also proclaiming the new luxury of shower baths. It began to look as though the shower-bath age had arrived. That was significant to a seller of bathroom fixtures. So the next day I dropped into the bathroom accessory department of one of the large stores. I asked a question or two. "Yes," they had shower curtains—of white duck. Remember, this was more than 25 years ago. The shower curtain was a strictly utilitarian bathroom accessory in those days. Nothing decorative. Not even pink or baby blue or sea green. White duck—period.

As I stood and talked with the sales girl, I asked myself, "If shower curtains are suddenly becoming such an important item in the home furnishings field why not make them decorative?" I went back to my own little store so absorbed in this new idea that I sent three dozen soap dishes to a customer who wanted five dozen toothbrush holders. I lost the customer, but my big idea was taking shape.

The next day I went to call on the buyer for the bathroom accessory department in Bloomingdale's, a Scotsman by the name of Sam Hughes. I knew it was almost time for Bloomingdale's annual anniversary sale and I was offering him an item on which I was sure he could do big business, a colored shower curtain made of cotton ticking that had been rubberized.

Hughes was tough to sell. He had never carried anything but white duck shower curtains and saw no reason to take a flyer on a product with unknown customer appeal. He regarded me with a

cold blue eye and asked me just how many of such dang-fool items I thought he could sell. I assured him with all the sales eloquence at my command that I was sure he would sell at least 500. When I mentioned "500" I thought he was going to show me the door for wasting his time. But I finally prevailed on him to try 100 on the pledge that I personally would be responsible for seeing that they "moved."

When I got that order from Sam Hughes I knew that this was "it." I knew my business would stand or fall on the success of that venture. I rushed to the manufacturer and made arrangements for the production of 100 of the new type of curtains in time for the opening of the anniversary sale.

I couldn't take any chances that the order might fail to arrive in time so I delivered the goods myself and followed the order through the big store's receiving room. However, getting the merchandise into the store was one thing, getting it out was another. I knew I had to spark the salespeople in Hughes' department with my own enthusiasm but how to do it was the question. First, I persuaded him to let me work out a special display for the shower curtains and then talked him into letting me give his sales staff a "pep talk." During that talk I used every persuasive tactic I had learned in my own experience as a salesman. I dwelt on the beauty of these new shower curtains, I pointed out the technique of making each customer who came into the department realize that here was something wholly new in home furnishings, and I urged them to enlarge upon the theme of bathroom decoration. Yet, when I finished, wringing wet with sweat from exertion and tension, I had the feeling that most of them still agreed with Sam Hughes that these shower curtains were a crazy idea and that the store would be lucky to make a dozen sales.

Came the opening day of the anniversary sale. I went on the floor and became a salesman in the department. The first customers came, saw, and bought. By the afternoon of the first day the stock was exhausted. I rushed down to the manufacturer's, got more merchandise, and brought it back myself in a taxicab. During the next few days we were selling those shower curtains at such a rate that I made all deliveries in taxicabs, rushing orders from the plant to the store as fast as the manufacturer could turn

them out. By the end of the sale Bloomingdale's had sold over 500 of the shower curtains at \$4.95 each.

When I went home the night that the sale closed, my feet hurt worse than they ever had during the days I was learning to be a soldier. But I didn't care. I knew shower curtains were on their way to becoming big business.

What could be done in New York could be done in cities all over the country. However, when I started to sell in other cities, I encountered a new problem. In many of these cities the homes and apartments had no showers. Of what use was a shower curtain in a showerless bathroom? However, thanks to the ingenuity of E. C. McCarthy of Jordan-Marsh in Boston, we found the answer to this problem also. Ed, too, wanted to do a business in shower curtains because he was alert to the volume potentiality. To sell curtains he had to have showers so he made a deal with a manufacturer of portable showers and featured them in his department.

Portable showers became big business and Jordan-Marsh sold thousands along with the curtains to hang on them.

That's the first part of my sales story. Where does the beer tubing come in? Well, not everyone realizes it, but the kind of wet-and-dry, hot-and-cold, push-pull, steaming-soaping-splattering wear and tear that a shower curtain has to take is one of the roughest tests of fabric durability that civilized man has devised. We had taken the first step toward giving shower curtains longer life, along with a certain amount of decorative value. But there was a long way to go.

We tried all sorts of rubberized materials, from the original cotton ticking to printed cottons, rayons, and pyroxylin-coated fabrics. At the end of ten years I felt I knew all there was to know about water-proofed fabrics, and still we had not found the ideal material for shower curtains. What we needed was a material which would not stick, crack, or peel; which could be subjected to constant moisture without mildewing; and which would lend itself to printing techniques necessary to the decorative type of curtain.

A friend of mine told me that the B. F. Goodrich Company had developed a revolutionary new type of waterproof material and suggested that I talk with Dr. Howard Fritz, now Vice-President in Charge of Research. By that time I had arrived, I'm afraid, at the know-it-all stage, a most dangerous stage for any businessman. I

was so sure that I knew all there was to know about waterproof materials that I saw no reason to waste time talking to a young scientist who would be trying to sell me some unknown and perhaps untried material.

However, one day when I was in my Chicago office Dr. Fritz dropped in. Because he believed in this new material, which had been discovered in his BFG laboratories, he talked of it eloquently, telling me of its industrial uses and its many virtues. He called it "Koroseal." He told me of its acid-resistant qualities and showed me a small piece of tubing, explaining that it was being widely used in the brewery business.

Looking back I realize that that young chemical man who had had no experience in salesmanship and who would have scoffed at the idea that he was a salesman was one of the finest salesmen I ever met in my life because he believed so implicitly in his own product.

That small piece of beer tubing, which Dr. Fritz showed me and finally, at my request, left with me, might well be said to have given birth to a new industry, the half-billion dollar vinyl resins industry.

When I went to see Dr. Fritz in Akron, I was intrigued with the various industrial products his laboratories were making out of Koroseal. I was particularly impressed by the tubing. In fact, that tubing gave me an idea for a new sales approach and I subsequently used it as a means of arousing interest in coatings on materials. As a result of my visit with Dr. Fritz, I became so strong a convert to Koroseal that I was confident I could sell it.

I became a prophet for the first vinyl resin to be introduced in the home furnishings field. I made a coast-to-coast trip to tell customers personally of the virtues and advantages of Koroseal and held meetings all over the country. The story I had to tell was not simply that of a new waterproof material but of a dramatic new development of modern industry, a development that might well revolutionize not only the shower curtain industry but that of materials for general use in the home-furnishing field. I took with me the small piece of beer tubing which Dr. Fritz had given me.

When I called on a customer, I would toss the piece of beer tubing on his desk before the conversation was many minutes old. He knew that my business was shower curtains. He could not understand the relationship between the brewery and shower-

curtain businesses. But that gave me the opening to tell why this new man-made substance was likely to revolutionize the shower-curtain business and have a terrific effect, also, on such other businesses as upholstery, accessories and decoration. It was quite an eye-opener that the rather solid, fairly stiff chunk of beer tubing was the same substance as the dainty, film-like samples I showed him that were suitable for such items as shower curtains, umbrella covers, and draperies. Yet the qualities of great resistance to aging, moisture, and sunlight; its refusal to be affected by ordinary chemicals found in soaps, foods, and the like were present regardless of the form in which Koroseal appeared.

That always got the prospect intrigued and he became interested in my story, which always started with the experiments of a young scientist in his efforts to find a material to bond rubber to steel, for that is how the discovery of Koroseal came about. By the time the story had been told, the prospective customer was almost invariably deeply interested in Koroseal and eager to see it "in action."

Our tests with it in the factory were successful beyond our most sanguine hopes. Koroseal inks were developed and our experiments with color and printing proved that although there were a variety of problems to solve, as is inevitable in working with any new material, we had a material with heretofore unimagined possibilities.

In a matter of three months we had lined up the finest stores in cities throughout the country as customers for shower curtains made of this new vinyl resin. I don't wish to get too commercial, but price quotations are significant in telling this part of the story. Certainly it was significant that Koroseal curtains at \$4.95 to \$9.95 began selling without the slightest difficulty all over the country, bought by persons who had been "educated to" prices like \$1.98 and \$2.98 for fancy shower curtains of oil-and-varnish-treated materials. In fact we couldn't produce the new curtains fast enough to keep up with demand.

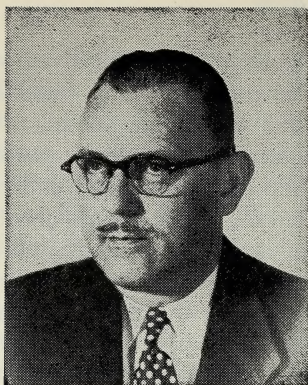
Then the war came along and the government took Koroseal as a strategic war material for insulating the wiring on its battleships, for foul-weather clothing for the Navy, and for linings of tanks.

When the war ended and Koroseal was again available to us, we began to experiment with it for uses other than shower curtains. Although shower curtains remained the most important factor in

the continuing development of this business, we found that it was possible to produce Koroseal materials with all the beauty of fine chintzes and linens but with none of the perishable qualities of these materials. We found, too, that by putting a fabric backing on these materials they could be made entirely suitable for light upholstery and slip covers. The unsupported type was ideal for draperies, bedspreads, vanity skirts, and similar items. A heavier type with a leather-like surface was developed for heavier upholstery and immediately caught on with furniture manufacturers.

Today the material with which I first became acquainted as a piece of beer tubing is found in such diverse household furnishings as closet accessories, bedspreads, vanity skirts, draperies, window curtains, aprons, bowl covers, and luncheon cloths, as well as in luggage and rainwear.

In my desk I have a small piece of beer tubing, which is my good luck piece. When I have a difficult sales problem to solve, I slip it into my pocket.



B. C. DEUSCHLE

is at present Vice-President and General Sales Manager of The Acme Shear Company in Bridgeport, Connecticut.

Although only 45 years old, Mr. Deuschle has gained a vast wealth of sales and merchandising experience, which began as a demonstrator of meat products in a public grocery while he was attending school.

After he finished school, he was employed as the Editor of the Contract Department by the Yale & Towne Manufacturing Company. He became associated with the General Electric Supply Corporation in the capacity of accountant and was transferred to Philadelphia as a salesman. In this capacity he created large department store accounts that had not existed previously. In 1936, he went to work as Eastern Sales Manager for The Buckeye Aluminum Company, and in 18 months of operation he increased business 200 per cent by selling exclusively to the retail dealer.

In 1939 Mr. Deuschle joined the Edison General Electric Company devoting his time to the training of distributor salesmen and dealers and the general merchandising of major appliances. This accumulation of sales experience and merchandising "know-how" asserted itself through 1941 when the pressure and dislocation of World War II caused Mr. Deuschle to leave the Edison General Electric Co. and join the Fairfield Lumber & Supply Company. He converted a peacetime industry of woodworking into a valuable and productive outlet contributing greatly to the war effort. After the war, he reconverted the Fairfield Plant into a thriving furniture manufacturing company, simultaneously planning, initiating, and building a retail furniture store in Westport, Connecticut, of which he was President, into a sizable and attractive business.

In the postwar years, Mr. Deuschle's evident capabilities have found their way into The Acme Shear Company of Bridgeport, Connecticut, the world's largest manufacturers of scissors and shears. Here in the capacity of Vice-President and General Sales Manager, his impetus in distribution and the creating of new merchandising methods have made him well-known and appreciated by the trade.

34. Opportunity Is Always There for the Salesman

OPPORTUNITY is always there for the salesman. Grasping the opportunity when it is discerned requires alertness, but it also requires about all the resources that a real salesman can put into his job, thorough knowledge of his product, careful study of the requirements of his customer, keenness in studying human nature, and a hair-trigger response.

You don't fall into the opportunity for a sale. You make the opportunity, and when you do, you sell. Some of the most profitable markets have been opened up by a salesman's keenness to sense possibilities in fitting what he has to sell into a buyer's seemingly extraordinary requirements.

Frequently, the opportunity to make a sale is presented by circumstances that are only indirectly related to the regular line of duty; but being able to make the most of all kinds of circumstances that arise is merely a part of what it takes to be a good salesman.

There was the time that I rushed a buyer's wife to the hospital, and won a race with the stork.

I was sitting in the reception room of the small and crowded office of a department store buyer. It was a place where I had not been too successful in being able to get consideration for my line. On this day, I expected to have to outsit several other salesmen for the opportunity to make my pitch. I was determined to be patient itself in preparing for an interview with the buyer.

I had only just arrived when it was quite apparent that the buyer had other things on his mind. I couldn't help overhearing part of the telephone conversation that took place a few feet away on the other side of the half-partition.

By piecing together the parts of the conversation, I gathered that the buyer's wife was about to have a baby, and the buyer had

made an arrangement with a colleague at the store to take her to the hospital when the "zero hour" approached. But it was time to go, and the colleague couldn't be located anywhere. The buyer was nearly frantic.

So, I stepped into his office and said, "I couldn't help overhearing what you were saying on the telephone. My car is right out in front. Come on, I'll take your wife to the hospital."

Without any discussion, he jammed on his hat and coat, and we were off. We made his house and then the hospital, without touching the ground, or so it seemed. Everything worked out all right. The woman arrived at the hospital in time. The baby was born with proper attendance.

I went along to my next stop. When I came around to that department store again, I had the opportunity to present my line of merchandise. It wasn't gratitude on the buyer's part that gave me that first order, but it did give me the opportunity to get my full sales story over to him.

That department store was a good customer of mine as long as I remained with the company, and I was able to be helpful in many ways to the buyer, whose purchases were very valuable to me. We often spoke of the tense situation that resolved itself so happily, relieved his great anxiety about his family, and gave me my opportunity to sell.

On another occasion, I was making a call at a large furniture store that fairly recently had installed a department for electrical appliances. The head of the company was a tough customer. I hadn't been able to get him to give much consideration to my line. He said he had all the lines he wanted to carry in the appliance department.

On this day, while waiting, I overheard a conversation between the boss and the head of his accounting department. The subject was repossessed merchandise, and that the company was paying a sales tax twice, once when the sale was made originally, and another tax on the same merchandise when it was sold again after being repossessed.

I couldn't keep still. I stood up and said, "Pardon me, may I make a suggestion?"

Both men looked at me, as if to say, "Who are you, a wise guy?" but the boss said, "Sure, go ahead!"

I had had some accounting experience before going into sales work, and I was pretty sure I had the right answer to their problem. In accounting terms, I suggested what to do.

"He's right," the accountant said to the boss. "That's the answer to it, right there."

"You're a pretty smart fellow, aren't you?" the boss said to me. "I like smart fellows. Come into my office."

I did, and we spent some profitable time together. I got him to look carefully into the various items in my line and showed him how he could do better with some of my appliances than with many of those he already was carrying.

He gave me a preliminary order; I gave him plenty of merchandising service; and the reorders kept coming. I made a friend who relied upon my judgment, and he learned that he could depend upon me and that I would never try to oversell him.

As a matter of fact, not only in that case, but in all the others in my entire career in salesmanship, it has been my policy to undersell, rather than to oversell.

Never sell anything to a customer that you know he can't sell. You have to live with him year in and year out. You can't make a living on what he buys from you, unless he can sell what he buys. Don't let a man buy six radios, even if he thinks he can sell them, if you are quite sure that he can't. Instead, urge him to take two, to try out new merchandise in his store. If he sells those, he'll be eager to take more.

Not only that, but he'll say to himself, "This guy really is trying to help me." He'll eventually sell a dozen and will never mistrust your merchandise.

If your merchandise is good and you believe it, always take care with that first sale. Don't overdo it. It's the firm foundation on which a good account is built.

In the instances that I have related from my own experience, to illustrate my point that opportunity is always there for the salesman, it may seem to some that "a lucky break" had more to do than anything else with providing the opportunity for me on those occasions.

It's pretty hard to define "a lucky break" with any exactness. Usually, most of the things that are referred to by others as "lucky"

didn't just happen, but resulted from the "lucky" one being on the job.

Here's a case, however, that required a great deal more of "doing."

My territory for a long line of electrical appliances was in one of the largest eastern cities. I had only a relatively small portion of the city, and it was in a section that wasn't too productive. I was on the job early and late covering all outlets thoroughly, but I still wasn't satisfied with my earnings, which fell short of providing what I felt I needed to support my wife and two young sons.

I didn't seem to be overlooking any possibilities for moving more merchandise in the accounts that I already had. What I needed was "new markets." But when one was restricted to a certain territory, where was one to get these "new markets"?

One night, I took our radio to a neighborhood repair man, who was situated in a little hole in the wall. He was a bright, ambitious fellow. I stopped to chat with him, while he worked repairing radios far into the night.

Although he spoke English well, I learned that he was foreign born. He had been in this country only a few years, had started his own radio repair business because he felt he wasn't getting ahead fast enough in his factory job, and was so ambitious, and so anxious to get ahead, that he lived alone right there, in a back room of his radio repair shop.

Joe Johnson, we'll call him, interested me. I admired his spunk and his independence; I was impressed with his diligence and his industry. I thought about Joe some more that night after I got home. Anyone with a repair shop such as Joe's ought to be selling appliances, as well as servicing them.

Wasn't this the "new market" that I was seeking?

When I went back to get my radio that I had left to be repaired, I asked Joe if he ever had thought of adding a line of new appliances, to sell. He hadn't, and although I didn't try to push him, it was apparent that he didn't quite trust me. He couldn't understand perhaps what my angle was. I gave him my card and wrote my home address on it. He could see from that that I lived in the neighborhood. I used to go by his place after that, not stopping in, but waving at Joe, and he waved back to me.

One day a few weeks later, I had some samples with me, as I

was going by Joe's place. I stopped in and showed them to him, explaining how the merchandising of each was handled and how much he would make on each one.

He said he had been thinking over what I had said to him several weeks before about going in the appliance business. He had decided that he was interested in the possibility, but he thought it would take a lot of money and that was something he didn't have.

He didn't know anything about financing but he was interested in my explanation of how financing of appliances for retail sale is handled. The trouble was, if he could draw up a statement of net worth, it wouldn't show very much on the assets side; of course, he didn't have many liabilities, either.

He didn't have collateral enough to justify any amount of floor plan financing, not even \$50 worth.

I took Joe to a finance company, but they couldn't see the possibility of any financing. We went back to Joe's shop, where I took a complete inventory of his assets, a little personal property, a broken down truck, a few tools. What could you do with these? However, he was making a good living for himself in his repair and service business, and he was a thrifty soul. On character, as well as on his business potential, he looked like a fair risk.

I made a floor plan, decided what Joe ought to have in the way of merchandise to start him in the appliance business, and back we went to the finance company.

I suggested a plan which was just about risk proof for the finance company and which Joe was eager to go along with. They were to finance him in the stocking of new appliances up to a total of \$1,000. When he sold his radios, all on the regular time-payment plan, the sales were to be refinanced by the same company. The company would hold out, not only the cost, but also the profits on all sales, until the \$1,000 originally advanced was repaid. The finance company agreed to this. It was a deal.

Joe didn't know what he wanted to stock but I worked out an order for him that would give him a preponderance of fast-moving appliances within the \$1,000 aggregate purchase price. Here was the opportunity he had wanted, and he almost had been pushed into it. He was very happy about it, and so was I.

I laid out his whole shop, rearranging the place to make room

for the new merchandise. He fixed it up so that it was as neat and as modern as possible.

His stock was mostly radios, table and console models, and he sold them right along. The finance company was doing business, I was doing business, and Joe was doing business, but he wasn't getting anything out of it.

The profits piled up though. The \$1,000 debt was paid off, and Joe kept selling radios; and also, making a living from his repair and service department. He built up a bank account. His credit was A-1. The finance company told him he could get any amount of money to buy more merchandise.

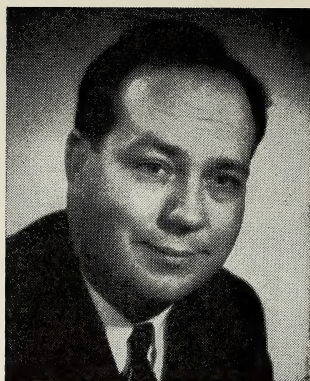
My "new market" really had developed. I had a new outlet which was good or better than I had expected. Bit by bit, we added other appliances. The business grew. Joe had to increase his service department, hire a salesman for the store, more repair men, and buy a new delivery truck. He was becoming a dealer with a sizable, solid business.

Finally, some time later, Joe's business grew so large that he had to move out of his own brownstone hole-in-the-wall into a real store. His financial standing was so good, and he had handled his profits so well that he could have had anything he wanted, and he wanted only the best.

I'll never forget the day I walked into Joe's new store. He had entrusted the layout and decorating of the store to a competent professional. It was a dream: inlaid linoleum on the floor, modern new windows, and perfect floor display. There were very few professionally decorated shops in the appliance field in those days. Joe had a beautiful place and no one was more thrilled than I.

For years now, Joe has been the largest and most important appliance dealer in the large city where he started. His sales territory reaches far and wide, and his annual sales run into six and seven figures.

Joe always said I set him up in business, and I guess I did. I needed business so badly when I started selling my idea that I was making up opportunities. When I left that city, the dealers had a farewell dinner for me. One of the speakers was Joe. He said some very pleasant things, but they all could be summed up in this: The opportunity is always there for the salesman. Find it and use it.



HAROLD SCHAFER

From a paint, wax, and glass salesman to the head of the largest home-owned business in the state of North Dakota in six years, that's the business saga of Harold Schafer, President of the Gold Seal Company.

His firm, with headquarters in Bismarck, North Dakota, had total sales of \$902.02 in 1942, the year it was established. By 1948, sales had rocketed to some \$10,000,000, and his operations extended from coast to coast and abroad.

Glass Wax was his first national product, and it was a sensation. Marketing magazines called it a "merchandising miracle" and the outstanding advertising success of 1948.

In the fall of 1949 Wood Cream burst onto the national scene, and in a few short months that Gold Seal product grabbed the No. 1 spot in the furniture polish and cleaner field. Then, moving in quickly behind that success, Schafer invaded the highly competitive national market with Gold Seal Self Polishing Floor Wax, which had been a rousing success for years in eight Upper Midwest States.

These factors have been common to each success: quality product, thorough preparation of markets with wide distribution in all types of retail outlets, and powerful siege-gun advertising. Promotion has been bold, dramatic, hard-hitting, for example, full-page and in some instances even double-page newspaper advertisements in hundreds of newspapers, the purchase of radio's hottest network personality, Arthur Godfrey, full pages in national magazines, and strong publicity support.

The Gold Seal Company is a sales organization. And in a few short years, Harold Schafer and the Gold Seal Company have made selling history.

35. Who Throws Out the Salesman?

IN THE YEAR 1945 the Gold Seal Company was selling a Gold Seal self polishing wax in North Dakota. Our business organization consisted principally of my partner, Mr. C. O. Bruer, myself, and one other salesman. We had arrived at the position where we had sold most of the stores in North Dakota our self polishing floor wax. This situation was accomplished by personally calling on all the stores, demonstrating our product to store-keepers and their sales clerks, giving samples of our product to store owners' wives, and using a little newspaper and radio consumer advertising.

In looking for expansion possibilities Cliff Bruer and I decided that the next market we should break would be Aberdeen, South Dakota, a city of 30,000 people just 40 miles from the southeastern border of North Dakota. It seemed to us that undoubtedly the wholesale houses in South Dakota would be conscious of our work in the portion of their trade territory that was in North Dakota.

In making the calls on the six or seven wholesale houses in Aberdeen, we were turned down completely although the buyers admitted that we had a good product, which was priced right, and that our company was a satisfactory small company with which to do business. The very nature of the brands of floor wax in their stock was such that they wanted no part of any additional lines.

In discussing this situation in our hotel room in the evening, Cliff and I decided that we should go down the streets of Aberdeen and call on all the retail stores just as we had done in North Dakota in the past. So the next morning we secured a map of the city as well as a route list of the various stores from the local newspaper. We sat down with a red pencil and marked the stores on the map, cut the town in half, and proceeded to make retail calls.

Something was wrong with our story, something was wrong with us, or something was wrong with the people of Aberdeen, South Dakota because by Thursday night, although we had called on every retail store in town since Monday, Cliff had sold only one bona fide order to one retail store and had a tentative promise of one more order on a call-back the next day. I had sold nothing.

Because it had been raining and because of our lack of success, our spirits were dampened considerably and our mental condition was at a very low ebb. We quit working in the middle of the afternoon and were literally crying on each other's shoulders at our hotel. Mrs. Bruer called with the information that their daughter had gone to the hospital for an emergency tonsillectomy, so Cliff left immediately for their home in Minot, North Dakota.

This left me alone and very blue. Apparently a lot of other salesmen had been having similar results because, instead of working on Friday and Saturday as we should have been doing, we all sat around the Alonzo Ward Hotel drinking Scotch, playing penny ante, and more or less lamenting our troubles.

In order to understand my thoughts it is necessary that I give you a little background of what the city of Aberdeen is to me. Aberdeen, South Dakota was my wife's home at the time we were married. Her folks live just ten miles out in the country. Besides her parents she has five brothers and one sister, young grown people, some married. In the mind of Harold Schafer came the normal fear of ridicule from relatives. I could hear them all saying, "Boy, that guy is a 'blow-hard,' I just wonder how much wax he really sells in North Dakota. He can't be much good or he would have sold some in Aberdeen. His product can't be much good or it would have sold itself in Aberdeen. Too bad Marian got mixed up with this guy."

These and many other depressing thoughts were running through my mind that Friday and Saturday over the penny ante game and Scotch and sodas. I felt on the brink of failure as a salesman; nothing seemed to work. I was in such a mental stew that I could not even bring myself to go home to spend Sunday with my family at Bismarck, North Dakota.

The important thing was that my worrying was concentrated. There were no other thoughts in my mind than, "I want to sell floor wax in Aberdeen. I want to sell floor wax in Aberdeen."

That can be identified as worrying down the straight road until you come to where you want to go. There is a distinct difference between worrying about an individual problem until you solve it and the normal kind of worrying around in a circle that people usually do when they get to thinking, "I must bring home a loaf of bread. I must leave the car in. I must straighten out my insurance. Gosh darn, my daughter hasn't got her college paid for yet. I should see the doctor about the corn on my left toe."

Sunday afternoon I made myself a definite promise that I either would sell Gold Seal self polishing wax in Aberdeen, South Dakota, or quit my business. Then I began to analyze why I had been able to sell it in North Dakota. I considered the fact that perhaps Harold Schafer had never studied how to open and close a sale and that he didn't know the basic fundamentals in chronological order of the system of an introduction, discussion of product and price, and getting the customers' signature on the order. I carefully went back over my work for the last few days and decided that here for the first time all of the normal elements of a good sale had failed me. I had acted like a gentleman in the stores I had visited. Our company had a good product, it showed the dealer a satisfactory margin of profit, we had it to deliver, and we were willing to put behind it in Aberdeen a reasonable consumer promotion. Both Cliff and I had intelligently taken this story to the buyers with the end result of no business.

I made a firm decision Sunday that Harold Schafer had to personalize his selling story and, starting Monday morning, go back to see the same people. I would attempt any one of many ways to personalize my story until I found one that worked. In Aberdeen I found one way that has more or less always worked since. It is *Perform something worthy to be remembered.*

When I called on a store, if the man who owned the store was washing windows, I started helping him wash windows. If the storekeeper was unloading a truck load of flour in the back of the store, I helped him unload flour. In one lumber yard I helped unload a couple hundred sacks of cement. In one store I helped wash shelving with soap and water and put on display competitive merchandise. I helped several men sweep their floors on my early morning and late evening calls. A lot of people will say that this is not the right approach, but believe me it works. In every case I

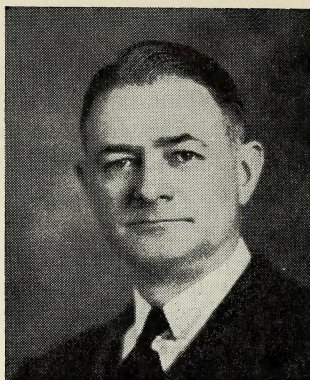
stepped right into this work without bothering with the formality of an introduction. In spite of the fact that I had called on these stores the previous week, because I had been a stranger, most of the storekeepers did not remember me. Those who did, did not remember that I had been there or did not associate me by name or product, so invariably I opened the conversation with these words, "Who throws out the wax salesman?" or "I am the determined wax salesman you threw out of your store last week," depending on whether it was my place to ask a question or make a positive statement.

This project had great personal results. When I left Aberdeen Tuesday night, I had sold 41 of the 44 independent retail stores in the community. The sales gave me satisfactory distribution in that market; all the orders were of reasonable size, and most of these stores are still our customers. The Gold Seal Company still maintains a very nice business in Aberdeen, both wholesale and retail. I have been invited to speak at conferences and conventions in Aberdeen. So I maintain a close friendship with the people who taught me one of my first lessons in selling.

I had found for the first time that all sales work needs this human touch. A man has to learn to use his knowledge, his own personality, and his ability to think. It is a policy of the Gold Seal Company, therefore, that our salesmen be rugged individualists. We give our men no canned sales talks. They do no practicing before mirrors on how to make a good sale. In training a man to do our selling work, we merely try to have him use himself as an individual through his own personality, together with Gold Seal's product and promotion. We think this policy makes a better combination than trying to set up standards for a pattern of a good salesman.

Back in 1945 while I was calling on small buyers in retail stores, most of whom owned their own business or were managing it for a close friend or relative, I found it quite simple and easy to perform a little physical effort to gain the man's friendship. Today in my traveling I am naturally working with buyers and businessmen where it is impossible for me to be of any physical help, but I find that if I give a man a progressive business thought I arrive at the same friendly association. In other words, it is

possible to "perform something worthy to be remembered" without washing windows or sweeping floors. All business with which I have come in contact in the United States is based on service in one form or the other, and I find a lot of it based on the service of one human being to another.



WILLIAM BYNUM

is Vice-President and General Sales Manager of the Carrier Corporation, Syracuse, N. Y. He joined Carrier in 1930 as a student engineer. In 1949 he became its Vice-President in Charge of Sales, after serving as General Sales Manager and before that as Manager of Direct Sales. Here he dealt entirely in direct contracts with large users of the heavier types of air conditioning and refrigeration equipment. Earlier, as a sales engineer and District Manager in this same field in the South, the Southwest, and the Middle-west, he played a large hand in the advance of air conditioning from a little-recognized, low-volume business to a position of wide public acceptance as an integral part of modern life.

Mr. Bynum was born in Oneonta, Alabama, in 1902. He attended the University of Alabama, where he played football and baseball. After graduating he earned his degree in electrical engineering at Alabama Polytechnic Institute in 1930 and moved immediately into the then infant air-conditioning business.

36. Longest Kind of a Long Shot

MEN WHO SELL air conditioning deal constantly with a curious blend of the tangible and the intangible.

They market a service that is unseen. In industry, it is an invisible production tool. And where human well-being is concerned, the closer these salesmen call their shots as to the proper system for the job at hand, the less the buyer is even aware of the end product. He merely is comfortable, free from any feeling of heat, cold, humidity, draft, dust, or unwelcome odors.

At the same time, the machinery needed to bring about these results is both tangible and complicated, capable of assembly in many different combinations, and ranging from small units to vast systems that provide complete control over the indoor climate of entire skyscrapers or huge plants. The result is a marketing field so complex that the salesman carries an unusual responsibility to his client.

He must shun the temptation to offer low initial costs, always important in making a sale, if these will penalize the buyer in future loss of efficiency or higher operating expense. His responsibility is to recommend a combination of equipment that will pay off over the long term through a proper balance between original capital outlay and the continuing costs of operation and maintenance.

There is no room for *caveat emptor*, "let the buyer beware."

Nowadays, the chips are large. Installations costing between \$500,000 and \$1,000,000 are no longer unusual. Back in 1936, when this story had its genesis, the stakes usually were lower but no less important in a business that was just beginning its real growth. But then, as now, the same responsibility prevailed for advising a client regarding all the factors involved in determining

his long-term over-all costs and his opportunity to convert these costs into a sound investment.

The day had been a scorcher. It was late afternoon as I drove back to Dallas from Marshall, Texas, but the heat waves were still shimmering up off the highway that runs as straight as a string for miles across this section of the state. Traffic, as usual, was light. So it was something of a coincidence when two of us, driving in opposite directions, turned in at an isolated filling station at exactly the same time and pulled up on either side of a single gas pump. It was clearly a tie.

The attendant asked, "Who's first?"

Each of us nodded and waved toward the other, but my opposite number beat me to the punch by saying:

"Go ahead and take care of this gentleman. Right now I am more interested in a cold bottle of Coca Cola than I am in gasoline."

He obviously had a sound idea, so we both moved over to the soft drink stand. The thermometer had registered 102 degrees during the day, even in the shade, and there was little trouble in finding a topic of conversation. The man introduced himself as John Sanders, of Longview, in the oil well supply business. But as soon as he saw my business card, the talk turned immediately to air conditioning.

"We haven't seen much of this sort of thing in our part of the state," he said. "To the best of my knowledge, very little of it has been done in Longview. Maybe the reason is that we just haven't thought much about it.

"We're growing up, but we have not been concerned too much about luxuries or comfort, particularly in recent years. However, I notice your business is making quite a lot of headway in stores and theaters in some of the larger centers like Dallas and Houston, so maybe you have got something."

With an opening like this, there was no trick at all in picking up the ball and running with it. I was able to tell him, without exaggeration, that Carrier had handled a majority of the installations he mentioned and that, as the pioneer company in the air-conditioning field, we were sure we were in a business that was just beginning its growth.

He had put his finger on a good point in saying that people in

Longview probably hadn't done much thinking about air conditioning. That was generally true in many parts of the country because there simply hadn't been a sufficient number of installations up to that time to generate wide public acceptance. But he was off the beam in considering air conditioning as a luxury. On the contrary, experience was proving it to be a profitable investment.

By the time I had worked my way through these points, each of us had gotten to the bottom of a second bottle of "coke." So we said good-bye and drove off in opposite directions.

As it turned out, this chance meeting over a couple of soft drinks had a lot of repercussions.

About three months later a long-distance, person-to-person, call came into our Dallas office. It was from Longview and the conversation went about like this:

"You may not remember me, but my name is John Sanders and we met at a filling station on the highway between Longview and Dallas on a broiling hot afternoon last summer."

"I certainly do remember you. As a matter of fact I plan to be in Longview two weeks from now and expect to drop by and say hello to you."

"Well, let me begin by offering you an apology. For some weeks I've been wanting to get in touch with you, but it was only this morning that I located your card.

"It so happens that four of us have formed a syndicate to put up an office building here. We want it to be the finest thing of its kind in this area, and we have come around to the idea of air conditioning. As you know, this would be the first such installation in Longview. Are you interested?"

"Definitely. And when can I see you?"

There was a noticeable pause at the Longview end.

"Well, there's a catch. The truth is we have our plans complete and are having a meeting tomorrow morning to let the contract for the building, including the air conditioning. Through some sort of mixup, Carrier was not invited to bid. But your competitors have been working on the job for at least three weeks and already have their bids in. Under the circumstances, you may not want to come over."

"I can be in Longview at 8:30 tomorrow morning."

"Good. But you must realize that you may be wasting your time. In fact, this looks like the longest kind of a long shot. And the best I can promise you is that our principals, together with our architect and engineer, will give you one hour, starting at nine o'clock. If you will come directly to my office, I'll take you over to the hotel for the meeting."

When we walked across the lobby the next morning, I recognized men representing three of the companies which undoubtedly had their bids in. One of them, whom I knew particularly well, greeted me with a wide grin and gave me the "bird" in the form of congratulations for having gotten into the job so "early."

However, there was little that was suggestive of mirth when we walked into the oversized bedroom which the syndicate members had reserved that day for conference purposes. The architect and the construction engineer were seated at a table immediately in front of the door. One of the principals was relaxing on a bed, the second occupied an easy chair, and the third perched on a window radiator.

It was obvious that most of those present were cool, to say the least, to the idea of having someone new take a look at their problem. The hour allotted to me was a courtesy to their partner, John Sanders, and was intended to be nothing more than a formality.

The introductions were swift and businesslike. Sanders moved past the desk and found a comfortable spot on the bed. Then the architect spread a set of blueprints on the table and began:

"As the lawyers put it, 'time is of the essence.' And that applies not only to our schedule in getting contracts let and this job under construction, but also to this discussion. You realize our plans are complete, that our bids are all in, and that we are ready to get going. What we are obviously interested in is how you would air condition this building and what the price would be."

My reply was this: "Mr. Architect, this is the first opportunity I have had to see the plans of your building. I am in somewhat the same position you would be in if I asked you what type of structure you would recommend for the lot across the street and what the cost would be. You would reply that an intelligent recommendation and estimate of cost should be based on a number of factors that must be weighed and given consideration.

"Furthermore, you and your firm are better known to these gentlemen than I am or than Carrier is at this point. Your suggestions would be more acceptable than mine because your experience with them has established a confidence in the quality of your work. With your permission, I should like to spend the first few minutes telling you something of the work Carrier has done and of my own experience. Then you can judge better the quality of any recommendation we make."

They listened politely enough to Carrier's fine background. But there was little indication of sharp interest even in various types of successful installations that had been made in buildings which closely matched the one planned in Longview. Blueprints, photographs and testimonial letters on these jobs failed to stir up leading questions. And time was running out.

The first real break in my favor was an interruption by one of the technical men:

"In the five minutes you have left, why not make a recommendation and name a price? We're interested in what your equipment would cost and how much you would charge to install it. Unless you get under the bids already in hand, we might as well go ahead with what we have."

"Wait just a minute. Do I understand that you intend to award this contract solely on the question of installed price?"

"Why not?"

"Well, there are a number of reasons why not. Am I to assume that the bids submitted so far have not been accompanied by a complete economic analysis?"

"Just what do you mean, economic analysis?"

"Well, without one you have no assurance that you are justified in buying any sort of system at all. Quite a number of items besides initial cost must be considered in arriving at your total investment. And until you have this you can't possibly know whether the additional rent you can charge for air-conditioned space will be sufficient to cover this figure. Or to put it another way, only then can you tell whether air conditioning this building will pay off or cost you money."

By this time the atmosphere in the room had changed markedly. All of the principals were leaning forward to catch the explanation that an economic analysis must take into account the amortization

of first cost, interest on the capital that would be required, and the continuing costs of power, water, maintenance, repairs, and operating personnel, all for a period of about 15 years. From this could be estimated the cost of air conditioning per square foot of rentable space on an annual basis.

"Let me ask a question," Sanders broke in. "Do you have any reservations in your own mind as to whether this would be a sound investment?"

"My offhand judgment is that you would be entirely justified in going ahead. Otherwise I wouldn't be here. But you need something better than an offhand judgment. You should have this broken down to the last cent as a guide to your rental rates. However, there is still another angle to consider. If you don't air condition, your building may soon become obsolete."

"All this makes a lot of sense," said one of the principals, a banker. "Can you prepare an analysis for us? And if so, how soon can we have it?"

"Give me your detailed plans, and let me find a place to work, and I'll come back here with some answers at 4:30 this afternoon. A final analysis will require further study, but this will be a very close approximation."

During luncheon with the banker and John Sanders, they described for the first time the system they had been planning to buy that morning. Small fan-type units would be located under every window, each a small plant within itself.

A central refrigeration plant would chill water to be circulated through coils in the individual units, cooling the air that would be brought directly into the various rooms through connections in the outside walls. Since moisture would be removed in this process, each unit required a drainage connection. Motors, fans, and filters also would have to be inspected and serviced in each individual office to the annoyance of occupants. No provision had been made for the circulation of air in the reception rooms or corridors.

In the course of this discussion, it was possible to call their attention to the fact that such a system might be cheap in original cost, but expensive in maintenance and servicing.

"It is my intention to recommend a central station system in which all of the outdoor air taken into your building would be

conditioned at a single source and then distributed to the individual rooms. This would simplify your servicing problems immensely by having the greater part of your equipment located at one point and by making it easy to get at. Furthermore, your operating costs would be considerably lower."

When the banker learned that such a system would require a complete redrafting of the architect's plans and some shifting of beam construction, his reaction was summed up in one word:

"Ouch."

The hours between luncheon and 4:30 P.M. were somewhat hectic from my point of view. Using data from similar jobs, I worked out the approximate tonnage in refrigeration capacity that would be required, figured installation costs, and estimated operating and maintenance costs over a 15-year period. The necessary additional calculations were completed a few minutes before the meeting was to resume.

"Well, what's the story?" the banker asked.

"My estimate is that you will have to add 35 cents per square foot per year to whatever rent you would charge for non-air-conditioned space. This addition would cover your operating costs and would amortize your original investment by the time your building is 15 years old."

Sanders' reaction was:

"That's a better figure than I had expected. And since it will be my job to manage the building, I'll gladly commit myself to a rental intake that would exceed this figure by at least 25 per cent."

We discussed in some detail the various factors in the analysis as well as the air-conditioning equipment and the system on which the analysis was based. As my analysis unfolded, the architect interrupted:

"Do you realize that in all the talk that has gone on here today we have never once heard you mention a contract price?"

"I wouldn't undertake to give you one without further study, but it would be in the neighborhood of \$50,000."

There was a long moment of silence before the architect resumed.

"Why, you're out of line. Way out. Furthermore, it has become very apparent that the system you are recommending is not practical in so far as the building plans we have agreed upon are

concerned. We would have to do a complete redrafting job to make such an installation possible, and I can see no point in continuing this discussion."

This seemed to be a good spot for a showdown, and I reached for my hat and briefcase.

"Gentlemen, let me express my sincere appreciation for the opportunity you have given me to state my case. You promised me an hour and then extended this to a full day.

"Let me add just this one thing. If a mistake is being made that might work out to your long-term disadvantage, then some further delay would be more profitable to you than an arbitrary decision.

"However, if a redrafting of your original plans is an insurmountable barrier, then I could not conscientiously submit a bid on this job. Because the system would not work out to your best interests or Carrier's over a period of years.

"The matter of a higher capital outlay certainly is something that must be considered. You will be paying more for a better and more efficient system. The real point to be considered is how this would balance out with your operating and other costs over the long pull in terms of a paying investment.

"I am planning on going back to Dallas tonight. You can reach me there if I can be of further service to you."

Sanders and the banker caught up with me in the hall, and the latter said:

"Now just keep your shirt on. The four of us who are principals in this deal will get together tonight, tomorrow, and the next day if necessary. In any event, we'll let you know what we decide."

That was Friday. On Saturday morning the phone rang in the Dallas office, and again it was Sanders calling.

"You mentioned an approximate price of \$50,000 yesterday. Would you be willing to guarantee this within 10 per cent, plus or minus?"

"Definitely. I'm perfectly willing to draw up complete and final plans, and if the cost figure varies from \$50,000 by more than 10 per cent, then all bets are off. Furthermore, you can have the plans and do whatever you please with them."

"That sounds fair enough. How fast could you get to work?"

"I could have a crew in the architect's office in Longview at 9:00 o'clock Monday morning."

"Do you need any sort of contract at this point?"

"Not if you tell me it's a deal."

"Mister, you've got yourself a job."



DAVID P. REYNOLDS

Vice-President and Sales Manager of the Aluminum Division of Reynolds Metals Company, Louisville, Kentucky, was born June 16, 1915 in Bristol, Tennessee. After completing grade school in Louisville, he attended Lawrenceville School at Lawrenceville, New Jersey. Here he made an outstanding record as an all-round athlete and student leader. Mr. Reynolds was president of the student body, captain of the football team, a member of the basketball team, and a pole-vaulter on the track team. The distinguishing characteristic revealed by Reynolds as a student athlete was that of being a vigorous competitor.

After graduating from Lawrenceville in 1934, Reynolds entered Princeton University. He made his letter as a member of the Freshman football team and also was a member of the polo team. He was a member of the Cap and Gown Club. He quit Princeton before graduation and started his business career under the tutelage of his father, R. S. Reynolds, president of Reynolds Metals Company. He demonstrated an aptitude for salesmanship and was assigned to the sales department in the Aluminum Foil Division.

As a salesman Mr. Reynolds revealed the same aggressive competitive spirit that had characterized his success as an athlete. He disclosed unusual ingenuity and diligence, which marked him as an exceptionally successful salesman. His success in selling was so marked that he was promoted to Sales Manager of the Aluminum Division of his company, advanced to the position of Vice-President and made a member of the Board of Directors.

He married Miss Margaret Harrison of Louisville on March 25, 1944. They have two daughters. Mr. Reynolds is a member of the Pendennis Club, the Louisville Country Club, the River Valley Club of Louisville, and the Racquet Club of St. Louis, Missouri.

37. My First and Most Significant Sale

WHEN I left Princeton University in 1937, I obtained my first job as a salesman in the Aluminum Foil Division of Reynolds Metals Company. I was assigned to the label department. For the first two months I traveled with veteran members of the sales organization and observed how they operated.

It was interesting to see how proficient these men had become in putting over the story of the many advantages of aluminum foil as a protective packaging material. They had succeeded in convincing many hard-boiled, skeptical purchasing agents that their products would be better preserved and for a longer time in aluminum foil.

This was back when the importance of improved packaging was first being recognized as a distinct sales aid. There was the difficulty of convincing manufacturers that existing packaging materials and procedures were becoming obsolete and that improved packaging was an effective ally of an aggressive sales policy.

The more calls I made and the longer I studied the situation and observed the sales resistance encountered, the clearer the problem became. Our salesmen were attempting to sell foil primarily on its superior protective qualities. They were not capitalizing on the attention-catching features, the eye-appeal of beautiful multicolor foil labels in competition with the paper labels, which sold at a lower price but had slight protective qualities and were not comparable as eye arresters. I became convinced that it was necessary to devise a plan by which there could be arranged a display of foil in its vast variety of uses in order to get the maximum value from a colorful collection of foil in an attractive array.

My father had foreseen the great possibilities in an effective and economical process that would make possible printing on foil in bright, contrasting colors. Aluminum foil is nonabsorbent. Consequently the only way it was possible to print on it at that time was to run the sheets through the press and permit them to dry before they could again be fed through the press for a second color. This method of printing was costly and limited the scope of color combinations. Father refused to believe experts who said that it was impossible to develop an improved process for printing on foil.

A long and expensive research program was launched. Reynolds Metals Company employed one of the most competent authorities on printing obtainable. He utilized the services of the best available technicians in the graphic arts industry. Much ingenuity and imagination were combined with hard work and \$1,500,000 in a determined effort to lick the problem by accomplishing what foremost printing authorities said was impossible. One experiment after another failed. Progress was slow. There was a prolonged period of discouragement. But the impossible was finally accomplished. A successful process was perfected, and we came out with the facilities and know-how essential to printing by rotogravure on foil in variegated colors. Today rolls of aluminum foil run through our huge rotogravure presses at high speed, printing up to six colors in any conceivable combination.

Elated though we were, it was not possible to envision the potentialities this process was to unfold. It proved to be a scientific advance that has revolutionized the packaging industry. Use of aluminum-foil labels on bottled beer and other bottled and canned commodities has been accelerated because labels printed on foil in brilliant colors give an accent of quality and protection never before attained.

Self-service food markets have been a subsequent development bringing new sales circumstances that make it increasingly important to present merchandise in a pack that stands out, that is particularly noticeable as it is displayed on shelves of serve-yourself grocery stores. To attain this essential objective, food processors have turned in increased numbers to aluminum-foil packages on which is printed the identifying brand in a diversity of colors. It is estimated that 70 per cent of the foods sold in retail markets are

dispersed through self-service stores. This situation creates a condition in which packages compete for the attention of the shopping housewife. The psychological effect of an eye-catching container has been proved to be a powerful sales instigator. This significant stimulus to retail sales would not have been available had the process for printing on foil not been perfected.

We had licked the printing situation. But it was a new and novel idea, and we didn't have the sales to keep those expensive rotogravure presses busy. When you start fooling with roto-gravure, it is unprofitable to deal in small quantities. Our new printing process was practical only for mass production.

I was convinced that we had a superior product and a profitable idea; and I felt certain that if I could only persuade some large producer to take a look at a real display of the finished product, I could sell him in a minute. There was no brief case large enough in which to carry such a display. I decided to try a display coach.

We bought an old truck, fixed up a trailer as a sort of display bus, and hooked the two vehicles together. A variety of samples of packages in printed aluminum foil was assembled. We collected an assortment of bottles on which we pasted aluminum beer labels. Much thought was given to arranging this exhibit on shelves of the display bus. Then I took the wheel of the old truck and hit the road in search of customers. We soon found out we had one serious defect. Every time the trailer whipped around a corner or sharp curve, the exhibit of samples toppled from the shelves and scattered about the bus. So much time had to be spent in rearranging the samples that I had time to make only one call a day. I realized that I would never get anywhere at that rate.

One day at a country garage I saw a mechanic pasting a rubber mat on the running board of an old automobile with some kind of adhesive. I investigated. If that gummed tape would hold a rubber mat to a running board, it should be just what was needed to hold this exhibit of samples in place. I bought all of the stuff the man had. After securely pasting all the samples to their base, I started for another city. The highway led over a high, steep hill. On the way up, the truck started slowing down. Its momentum diminished and got slower and slower. Then finally it conked out. After much backing and filling, I realized that the engine just didn't have enough power to get up that hill. After

rounding up some help and removing the vehicle as a traffic block, I decided there was nothing to do but take the chariot home. This experience convinced me that it was necessary to have a real display coach with an engine powerful enough to take it anywhere. I made this recommendation to top management and it was approved.

We did some careful planning in an effort to design a display coach that would provide an attractive background for the exhibit. From the White Motor Company of Cleveland I ordered an especially constructed display bus body to be mounted on a 44-foot chassis, the longest that the law allowed on the highways. After the disheartening struggle with the old, makeshift outfit, I decided to shoot the works on this new job. I wanted to have a display so unique and striking that it would startle any executive, something that would so stimulate his curiosity and awaken his interest that he could not resist stopping to take a look. I had found out from the sales resistance encountered that it was necessary to have something spectacular and to make a daring approach in order to sell foil labels at a price more than twice as much as paper labels.

The inside of that bus was designed like an ultra-modern, streamlined supermarket. We installed glass shelves, indirect lighting, and elaborate, ornate display cases within which were artistically arranged actual samples of every product that used Reynolds foil. The major brands of cigarettes were pyramided in accord with the most recent report of actual sales at that time. There were novel arrangements of chocolate bars and kisses, the varied brands of chewing gum, candy bars, dried fruits, foil-labeled root beer and every other thing in the growing roster of commodities that had come to recognize the unique characteristics of foil as a packaging material.

To top off the panorama within the scintillating coach there was assembled an elaborate array of beer bottles with a reproduction of the brand names of the foremost brewers, printed on sparkling foil labels in vari-colors and pasted on actual bottles of beer.

Previous to this we had succeeded in selling a few foil labels to brewers for their expensive beer, but the volume was unprofitably small. Most beer carried paper labels, much cheaper than foil.

The difficult goal that I had set for myself was that of selling foil labels to the 10-cent beer boys. It was there that possibilities of large volume lay.

The dream display coach was completed. Its glamour surprised and thrilled even me. It represented the expenditure of a lot of money, and it was up to me to justify the investment by demonstrating that it could be made an effective selling auxiliary. I called our local division manager in a midwestern city and asked him to designate the toughest customer in his territory. He smiled and said, "All right, you asked for it—and here it is." He named a large brewery. "Why, our men can't even get in the front door!"

This corporation owned an extensive chain of breweries throughout the country. Their leading brand of beer sold for ten cents.

I put in a telephone call for the president of the firm. I couldn't get him on the phone. He wouldn't even talk to me. Okeh, I thought. I'll have to make a different approach.

I went to the city where the company was located and took possession of the new display coach. Then I drove to the premises where the local brewery was located, right up to the front entrance and parked, almost blocking it. I waited nervously and impatiently.

It seemed to me that an eternity had passed, although it was only an hour or two, when a gentleman came through the door and started down the drive. But the bright, gleaming coach caught his eye. His curiosity got the better of him. He could not resist the impulse to turn around and walk back. Fortunately, it developed that this first curious visitor to the coach was the purchasing agent for the company.

He inspected the coach. The diversified exhibit of beer bottles with their gleaming, sparkling foil labels arrested his attention and held his interest. He was tight-lipped, but there were indications that an impression had been made. The purchasing agent left the coach and returned to the office. He came back shortly, bringing with him another gentleman. This turned out to be the sales manager. His eyes swept the interior of the coach, but it was the beer bottles with the bright foil labels that fascinated him.

The sales manager was as noncommunicative as the purchasing agent had been. There was no verbal indication that my sales talk

was making any impression. I realized that I was confronted with a crucial test in my effort to break down sales resistance, to get across a new idea.

Then the sales manager returned to the office. There was still no indication that I was getting anywhere. I was dejected and trying to devise another line of sales strategy when the sales manager returned. He had brought the president of the company with him. I was both excited and elated.

In our sales talks we made it a practice to stress the fact that aluminum-foil beer labels are impervious to water. The advantage of that could be demonstrated by the fact that this prevented them from coming off when the bottles were placed in cold water or were iced to keep the beer cold. In talking to the president I purposely avoided our chief selling point, eye appeal. I felt that the display would make that point self-evident. As the president of the brewing corporation walked through the bus, I could see that he was startled by our dazzling, modernistic display on wheels. I enthusiastically gave him my spiel about aluminum foil labels being waterproof and that they would not come off in cold water or when iced as paper labels always do. He hardly waited until I had covered the idea when he interrupted to say:

"Boy, your greatest selling point is eye appeal. Why those labels are beautiful. They impart the impression of a product with high quality and class."

This epochal incident took place on Thursday. The president asked me if I could bring the coach back on Saturday. He explained that the thought he had in mind was to telegraph the manager of one of his breweries, whose advice he valued, and direct him to come to the home office. He wanted him to see the display and register his reaction.

Of course it was not necessary for him to insist or to ask me twice. It was with great anxiety that I waited for Saturday, in fact I could hardly wait. I reviewed every detail of what had taken place, trying to decide what had been the most significant thing in that sales discussion. I decided that it was silence, keeping quiet after the president pointed out to me that the major selling point of foil labels was eye appeal. From there on I kept my mouth shut and let him talk, after agreeing that he had put his finger on the quality in foil labels that excelled.

This was the first time I had observed that being a good listener is helpful in making a sale. So long as the prospect indicates an inclination to talk, it is wise for the salesman to listen. An occasional discreet question that keeps the customer talking sometimes is the most effective method of leading to a sale.

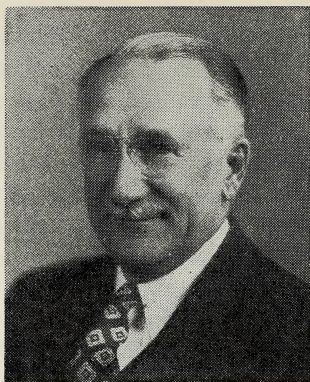
The crucial day arrived. I piloted the display coach back to the office of the brewing company and waited anxiously. The important prospects finally arrived. The out-of-town brewery manager was impressed with the gleaming labels on the beer bottles. But he was skeptical about the wisdom of paying twice as much for them as for paper labels. Again I bit my tongue and kept silent. The president of the company made my sales talk for me. He soon had his associate enthusiastic about the idea, convincing him that the foil label would be a profitable sales stimulant. He argued that the foil label would mark the beer as a distinctive beverage and that it would have a good psychological effect on the customer as he sipped it.

The president of the company sold himself as he persuaded his subordinates that the decision to adopt foil labels was a good investment. The result was that the corporation gave me an order for 100,000,000 beer labels. It was the largest single order that Reynolds had ever sold and the largest purchase of foil labels that had ever been made.

It was difficult to restrain my elation in this hour of triumph. Our judgment in building and equipping the coach had been vindicated. It had been demonstrated again that one of the most effective methods of sales approach is one that appeals to the eye.

That first sale helped to break through the resistance of other breweries. One by one the largest of the nation's breweries turned to foil labels and our rotogravure presses have been humming ever since, pouring out millions of beer labels in resplendent color combinations.

That sale launched Reynolds Metals Company on the way to becoming the largest producer of foil labels in the world. We have sold many large orders of Reynolds products through the years. But I'll always consider my first sale to this leader in the brewery business as the supreme accomplishment of my career as a salesman.



RICHARD H. DEMOTT

is President of SKF Industries, Inc., Philadelphia. He has been in the selling business for 40 years. Thirty-five of these years have been with SKF Industries, Inc., with whom he has served, successively, as a sales engineer, District Manager, Manager of Industrial Development, Assistant Sales Manager, Sales Manager, Vice-President in Charge of Sales, and President.

When Mr. DeMott joined SKF in 1915, the anti-friction bearing industry in this country was in its infancy. Few machines, or for that matter, any piece of equipment having a shaft that turned, rolled on ball or roller bearings. Today, modern industry is dependent on these marvels of engineering science and precision, and the fact that their use is so widespread is due in no small part to Mr. DeMott's sales ability and his pioneering efforts in such fields as papermaking, textiles, electric motors, and railroads.

Mr. DeMott believes that a salesman should be more than the name implies. His sales philosophy can best be summed up this way: A salesman must be of service to the customer at all times.

Born in Tenafly, New Jersey, and a former mayor of that city, Mr. DeMott was graduated from the Stevens Institute of Technology with a degree in Mechanical Engineering. He began his selling career 40 years ago with the Westinghouse Lamp Company.

Mr. DeMott is affiliated with Franklin Institute, the Society of Automotive Engineers, the Association of Iron and Steel Engineers, Sales Managers Association of Philadelphia, the National Sales Executives, the American Society of Sales Executives and the Exhibitors Advisory Council. He lives in Philadelphia.

38. There's Nothing Like Information

MY MOST IMPORTANT SALE was made almost 30 years ago. That sale itself brought less than one hundred dollars into the company till, but it broke a log jam and brought in an entire industry as a customer for our product, spherical roller bearings.

Today thousands of rolls of newsprint a year for America's newspapers, millions more rolls of toilet tissue, and the sleek and shining coils of fine paper which make their way by the tons into the plants of the country's first-class book and magazine printers testify to the success of antifriction bearings in the paper and pulp industry.

But back in 1921 the idea of ball and roller bearings for ponderous machinery had not been accepted generally at all. "Ball and roller bearings may be all right for roller skates, bicycles and baby carriages," said the paper-and-pulp men, "but not for the big grinders and the calender rolls used in our industry." They used just plain, shaft-in-collar bearings and depended on keeping them well lubricated.

And there was considerable justification for the paper industry's reluctance to use the newfangled bearings. A few scattered applications, which had been based on almost no experience, had been made in that field and naturally some had proved unsatisfactory.

One of these was an installation in a Brooklyn mill. That experience started us off on a completely new line of sales thought. We had installed our bearings in an old-style Fourdrinier, a machine for making paper in an endless web. In the typical overconfidence of those days in the ability of antifriction bearings to cure everything, we failed to take into account the wire pull, weight of the roll, and the thrust load on bearings due to shaking of the table. As a result, the bearings soon failed, not because

there was any defect in them or their principle of operation, but because we knew too little about the paper production business.

How well I remember the day the trial installation failed. I was in the New York office, of which I was district manager, when the superintendent of the Brooklyn paper mill phoned in, hot under his work-shirt collar.

"The bearings have just been shot," he yelled. "The Four-drinier has come to a halt and with it our day's production. Do something right away, or I'll have your scalp!"

Like a fellow with a traffic ticket who tries to look innocent in front of the judge, I attempted to sound knowledgeable about the trouble. But my mock self-assurance that we'd "fix things up right away" did little to lower the blood pressure at the other end of the wire.

"Don't waste time talking," he shouted. "We want this plant running again in a hurry, and you'd better have the answers on how to do it, and quick!" The phone crashed down over in Brooklyn.

It was with no mood of cocksureness that this technically uninformed salesman from Manhattan hurried to the mill across the river. Fortunately, the superintendent had relaxed somewhat by the time I reached there, but that didn't help matters much. The Fourdrinier was still broken down, and I simply didn't have the answers to start it rolling again. The upshot was that the Brooklyn mill returned to the use of plain bearings. And, figuratively, there was a price on my head.

I did a lot of thinking on the trip back to New York, and decided on a course.

"We don't know enough about the paper industry, so how can we suggest workable applications and make sales?" I asked the staff. "Our information about paper-making machinery is pitifully inadequate. We do not know, for example, the operating characteristics of the equipment, nor do we have data on loads, speeds, temperatures, or moisture conditions under which many of the rolls on these machines operate.

"In fact," I summed up, "we know next to nothing about the industry that we hope to make a major market for antifriction bearings."

The outlook was dismal. The sale we were counting on to take

us into the new field, a contract with a machinery manufacturer whose use of antifriction bearings would open a golden gate to industry-wide acceptance, was as far away as ever.

But I knew we couldn't make that kind of a sale and make it stick just by fast footwork and persuasiveness. We had to build our case solidly, on a rock of real knowledge of what our bearings would have to take. So we established an "industrial development department" (I was it) whose sole purpose would be to collect and correlate every available piece of information on the paper and pulp industry.

For a while I worked alone, but as demands on my time piled up, I added an engineer to my staff. The first step was a complete and accurate listing of all applications that we had recommended to the industry. The next was checking to learn what bearing applications had actually been made on the basis of those recommendations, whether they had been successful or had failed, and, if the latter, to determine the reason.

The third step was to obtain complete knowledge of the flow of production in the pulp and paper industry from standing timber to finished roll and to study in detail the functional characteristics of each item of equipment involved in the production process.

To get this information wasn't easy. It was not just sitting in a public library and boning up. Armed with a "little black book" (no personal phone numbers) I spent the better part of a year away from home. I met people I had never known existed, doing work I had never known was done, and I recorded information on paper industry equipment such as jack ladders, barkers, chippers, pulp grinders, refiners, stock pumps, and various rolls on Fourdrinier and cylinder-type machines such as breast rolls, table rolls, press rolls, felt rolls, drier cylinders, calender stacks, and many other shaft-turning locations on which ball and roller bearings might be used.

About one year, several dozen hotel rooms, and approximately 50,000 miles of rugged travel later, the "industrial development department" had the answers. Behind me were many rough trips in the automobiles of those days, on washboard roads adapted only to the horse and buggy. Quite frequently, I didn't even have the buggy, only the horse, to get into the hinterlands from

New England to Wisconsin over the northern tier of the United States and the southern region of Canada.

And my black notebooks went with me everywhere. I still respect them, although the research files we now have make them look primitive indeed. Between their weathered covers is systematically recorded information I picked up on my visits to mills and in discussions with authorities in the field. Those memoranda represent true grass roots research, and many notations were scribbled down while I climbed over and around machinery and talked with anyone who would give me the answers I needed.

Supplied with something like real familiarity with the mechanical needs of the paper and pulp trade, we were now ready to tackle the sales to manufacturers of machinery for the industry. The atmosphere was far from cordial. Our district managers were getting the cold shoulder practically everywhere. In some cases, sales representatives were not even welcome in engineering quarters down the hall from the top executive offices where big deals are usually made.

It was clear that before we could nail a contract we still had to do a job of persuasive public relations. Carefully, we selected the man who could be our opening wedge into the paper field. We had to sell him.

He was research engineer for one of the most important manufacturers of mill equipment. Acceptance of our product by his firm would, we were certain, open the door to use of antifriction bearings throughout the industry.

One bleak and dismal day I took the train from New York to Philadelphia where I met our district representative. My colleague was in a gloomy mood.

"What's the use of making this call?" he asked pessimistically. "We've never been able to get even our foot in the door."

"This time," I assured him, "it's going to be different, because we're not going to use the sales approach. We're going to use service as the magic key."

He trudged along beside me as we approached the potential customer's office, a familiar and disheartening scene to him. We sent in our cards. They came back with, almost literally, the speed of sound.

"Tell those salesmen," a bass voice boomed, "that we're not

interested in bearings. They're just wasting their time and mine."

I asked the secretary to send the cards in again. "Please tell him," I said, "that we're not here to sell him bearings. We're here for information. We'd like to have him take just 15 minutes and tell us something about the machines this company builds, and their relation to pulp and paper production."

Public relations was an infant art in those days, but my approach was such a surprise that it worked. Several minutes later, an intrigued executive summoned us into his office.

"I can give you only a few minutes, but I'll be glad to tell you some facts," he said tersely.

We then launched into a detailed discussion, plying him with questions. Those questions allowed us to spring some of the important data we'd gathered afoot and horseback, and there was no doubt that our "target" was impressed by our fund of information about his industry. He was equally impressed by our sincerity in wanting to be of service.

The "15 minutes" lengthened into half an hour, into an hour, into four hours! The conference, begun in his office, then branched out into his working bailiwick, the engineering department, where we were given even more information. We had several opportunities to point out subtly that, if bearings were properly selected and applied, they could make a major difference in paper-making equipment.

At the end of the four hours, I asked the research engineer: "Isn't there some one location on one of your machines that is persistently causing trouble?"

He agreed that there was just such a trouble spot, a complicated housing and bearing setup on one part of a Fourdrinier.

"We want a chance not only to compensate you for your time and information, but also to demonstrate that our reasoning is sound," I declared. "I think that we have the answer to your problem."

He gave us our chance, turning over one of the plant's perpetual "headaches" lock, stock, and bearings, along with drawings and data on specific speed loads and operating conditions.

Armed with our problem, we returned to our own offices. We studied the blueprints and operational data from every angle, and

drew up recommendations. Remember, this was still an experimental project. We were out to prove something.

We had been given a very great break and were by no means in the inner circle as yet. But we were on our way to a sale because we had information. Thanks to 50,000 miles, our notebooks, and 12 months of persistence, we were no longer ignorant.

Some time later we returned to the machinery manufacturer's plant, soon enough to catch our quarry before he had cooled off. Our recommendations were accepted on an experimental basis, and when the bearings were installed on the balking Fourdrinier, we were there to supervise the job. The Fourdrinier was no longer a mysterious monster. We knew what made it tick.

This trial installation worked out so satisfactorily that it not only opened up an important manufacturing account to us, but it also served as an entering wedge, if not *the* entering wedge, in cracking an entire lucrative industry as a market. Thirty years later, that particular type of installation is still on the roll on all machines, turning out literally hundreds of miles of endless web papers.

Those notebooks are still in my personal file, and I never forgot what they represent: the salesman's indispensable ally, *information*. Without knowledge of his product and its applications, especially in the technological field, no salesman can hope to make the grade in the top echelon. I don't care whether it's bearings, cam wheels, bricks, bolts or nuts, or a better mousetrap, the fellow selling it has to know what it will do in his customer's plant and why. There's nothing as convincing as familiarity with your market.

I suppose this could be called an argument for technical training. Yet I don't mean that a firm should hire only technicians as salesmen. This would be fallacious reasoning, because there are so many other qualities that go into making a man who gets the signature on the dotted line, personality, manner, enthusiasm, appearance.

The point I want to make applies equally to the sales manager and to the man who presents his card directly to the customer. From the front office to the ranks, the sales staff should be equipped with information, not only of their own product but a knowledge of the kind of service that product will render to the customer. You cannot hope to convince a specialist that his

product is the best unless you know why in terms that the specialist will acknowledge, accept, and respect. Make it clear to a client that you know what you're talking about from his point of view as well as your own, and he'll listen to the clinching arguments when they come.



DAVID F. AUSTIN

Vice-President—Sales, United States Steel Corporation of Delaware, Pittsburgh, Pa., began his career with United States Steel in the Corporation's New York office late in 1918. He served in various minor capacities with Carnegie Steel Company until 1927 when he was transferred to the sales department. After serving as a salesman in four different sales territories, he was advanced to assistant district manager of sales, Cincinnati. Subsequently, he served successively as district manager of sales in Cincinnati, Pittsburgh, and Chicago. January 1, 1938, he was elected Vice-President in Charge of Sales, Carnegie-Illinois Steel Corporation, and on October 1, 1945, was elected Vice-President and a director of United States Steel Corporation of Delaware.

From January, 1942, until July, 1943, Mr. Austin served with the War Production Board, becoming successively assistant director, deputy director, and acting director of the Board's steel division.

39. A Customer Never Forgets a Real Service

PICTURE FOR A MOMENT a kid salesman, selling steel . . . having a territory of his own for the first time . . . following in the footsteps of a master salesman.

The detailed sales records for the territory were meager because his predecessor just wasn't that kind of salesman. All the estimates of who bought what steel from whom, those robot controls the kid was putting his innocent faith in, had been pulled down from the sky one Saturday afternoon by the chief clerk with the aid of some fine bourbon.

And so the kid was on his own, flying blind.

One of the accounts in the territory was a little tank shop, a consumer but not a customer. The chief clerk, perhaps wearying under the load of inspired fabrication, had dismissed it as too small a unit to have mill requirements. The kid salesman found the trade report to be erroneous and the account was good for two thousand tons a year, healthy business by any steel salesman's concept.

He rode that account hard.

Bit by bit, the story unfolded. The company made all sorts of tanks, process industry tanks, the gasoline tanks that fit under filling station gas pumps, and just plain tanks. In those days, it was a highly competitive business, large volume and little profit.

The owner of this particular concern was a manufacturing genius, the sort of person who could make anything with only a wheelbarrow, hammer, and pack of tobacco to help him. He had about \$10,000 in assets and was trying hard. It was just a small company, pathetically small, headed by a genius in a tough business.

One day the kid salesman made a sale to this account, a good

sale. It was for a special tank job, an unusually large one for a small shop like this one. When the steel came, it met the specifications for the tank job all right. But the steel had been rolled on an old plate mill that couldn't hold a good, clean tolerance on plates as wide as these, and the manufacturer had some trouble working them into the tank job.

The kid wasn't surprised when subsequent orders were placed elsewhere. Of course, he couldn't do a thing about it. That ancient mill was the only one his company had in the district, and all the persuasion in the world wouldn't make it roll good wide plates.

But he kept trying. Perhaps it was plain cussedness, perhaps it was respect for the little manufacturer and the fight for survival he was making. Anyway, he kept calling, hoping to find an order that his company could fill competitively.

Except for luck, the story might have ended there. That kid salesman could tell you a lot of stories that did end there. This one is different though because he made a call on the tank company late one wet February afternoon when he wished to get on home.

The little tank shop was as dismal as the weather. The owner was harassed and worn.

"Just took one hell of a licking," he said, rubbing his chin stubble apologetically. "And there's not a thing in the world to be done about it."

The kid asked about the licking.

Maybe the owner of that little business was stunned by defeat or maybe he had taken a liking to the kid during those many fruitless calls. Anyway, he related the story.

He had taken on a tank job, a big one. One of the great companies of the country had ordered it. This was the first time he'd had a chance to show them what he could do. He'd tied up nearly all of his capital in this one job. The value of that tank was almost one-third of the net assets of the company. He'd had to ship it a long way to the customer's plant. Every square foot of the thing was full of inlets, valves, and elbows. Its reclamation value was exactly the value of the scrap. And this morning had come the bitter news: The tank was rejected. To that small businessman, the news was utter defeat, without recourse.

"What's the matter with it anyway?" the kid asked.

"Don't know and can't find out."

"Have you tried talking it over with them?"

"It's just no use. A big outfit like that doesn't give a damn about a small operation like mine. I'll bet they've forgotten about it already."

"It seems to me that personal discussion of this matter right on the ground would be a good thing. I would be willing to make a trip up there representing your company."

"Throwing good money after bad, that's all it would be; throwing good money after bad." The kid salesman sensed that the owner was too hurt by the slur on his workmanship to want to fight back.

"I can get up there and back for 50 or 60 dollars," the young salesman said. "That's all it will cost you, 50 or 60 dollars. I'll tell them I'm working for you."

"Nobody is going to listen to you," the owner said. "There's no point in throwing good money after bad."

That seemed to close the matter, and the salesman made the rest of his rounds that wet February day with a heavy heart.

That evening the phone rang. "I've changed my mind," the tank shop man said. "I want you to go up there and do anything you can."

The plant to which the tank had been sent sprawled all over two railroad sidings. It was hard finding anyone who admitted knowing about the job. The kid salesman made his contacts just in time. A crew was set up to move the offending tank.

"What's the matter with this tank, anyway?" he asked the construction superintendent. "The shop I represent turns out as good work as anybody and better, lots of times. What's the trouble?"

"Cold shuts. Got a couple of cold shuts," the works manager said. He was smoking a thick cigar, and his words were indistinct. The salesman didn't know what a cold shut was and wasn't sure that was what the superintendent said anyway, but that didn't stop him.

"Come on, I want to see one," he said.

"There's one," the superintendent said, aiming his cigar at a point on a longitudinal weld. "They didn't go back far enough along the seam when they started in welding with a new rod.

Leaves a hollow. There's another one up there. Poor workmanship I calls it."

"Anything else the matter?" the kid asked.

"No," the superintendent admitted grudgingly, "just those cold shuts."

"God, man, do you know what you're doing?" the kid said. "You'll break my boss if you reject this thing. And look at all those openings, and every one positioned perfectly. Nobody else could do that for you as cheap as you're getting this tank. Couldn't you get a couple of your own men to fix up those welds? That wouldn't cost very much, would it?"

"No, I guess not," the works superintendent said. "We can fix it up in an hour or two. I guess maybe we ought to, at that." And he yelled for one of the workmen to come around to go to work on the cold shuts.

Back at his home office, the kid salesman caught the devil from his boss. His actions had been a waste of company time. Because of his actions his own company might have to assume liability if the tank should explode. And furthermore, just who did a young squirt like him think he was anyway, charging off like Sir Galahad? Furthermore, why was he monkeying around with that account, anyway? Everybody knew it was a piddling warehouse account. He'd just better watch his step from now on and use better judgment.

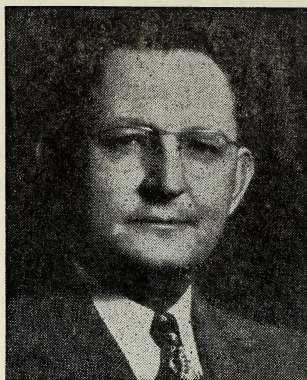
The kid said, "Yes, sir," and that was all there was to it, for the time being.

Only there was more to it than just a sour reprimand from the boss.

Twenty years have gone by. The little tank company now is one of the largest in its own specialized field. For 20 years it has bought most of the steel it consumes from the kid salesman's company. The salesman, sour reprimand and all, went on to take his boss's job, then the job above that, and then the job above that, until today he's Vice-President of the company, the largest steel company in the world.

There's a moral to this little episode, and it has stuck with that kid ever since. The moral simply is this: The real place for ingenuity and guts and brains, all the things that make selling a magnificent occupation, lies in serving one's customers. Other

things such as quality, price, and delivery are important, too; but no matter how good you are in any of these things, sooner or later somebody comes along to match you, and you lose any advantage you once might have had. But a customer never forgets a real service, probably because real service is unusual and enduring.



SAMUEL F. ROLPH

General Manager of the Berrien Springs Division of The Yale & Towne Manufacturing Company, Berrien Springs, Michigan, was born in Stamford, Conn., November 22, 1893. He attended the schools of Stamford and began his career with The Yale & Towne Manufacturing Company in 1907 in the plant of the Stamford Division.

During the First World War, he enlisted in the United States Navy and served for 18 months overseas. After advancing through various manufacturing and administrative sections of the company, Mr. Rolph was assigned to the contract builders' hardware sales department, which he headed for many years.

In 1932, Mr. Rolph went to Detroit to manage Yale's automotive lock and hardware sales. In 1947, Mr. Rolph became General Manager of the Norton Door Closer Company, a division of Yale & Towne, whose plant was in Chicago. In June of 1949, Mr. Rolph's responsibilities were broadened when he was also appointed General Manager of Yale & Towne's Sager and Barrows Lock Works Divisions in North Chicago, Illinois.

Mr. Rolph is a member of the American Society of Automotive Engineers and of the Masonic Order. Mr. and Mrs. Rolph reside with their daughter in Berrien Springs.

40. "All Things Are Possible to Him That Believeth!"

A Text for Salesmen

"Just leave your bid here and I'll send it in to Mr. S."

There was nothing to say, except to say to myself, "This simply will not do."

After a month's work of checking over what seemed to be volumes of specifications and instructions and unfolding and checking dozens and dozens of plans, my bid went in, but I didn't go in with it. Yet, I knew I had to find a way to talk about it. I had to see what Mr. S. looked like, and I had to let him see what I looked like, because in the back of my mind I remembered that the first fundamental in selling is "sell yourself!" My determination, however, had no effect on the girl at the desk, so I walked back to my office thinking of a next step.

I picked up the telephone and called up the contractor and said I wanted to speak to Mr. S. I told him I had just left my bid, and I would like to explain a few of the points because I had deviated somewhat from the specifications. I had not done this with any intent of cheating but only to draw his attention to some savings that I believed would be possible and would be interesting to him. I finally secured an appointment and the first obstacle was overcome. I was able to get in and talk to my man.

I discussed the whole project, and he was soon interested in some of the suggestions. I felt that I had at least got my foot in the door. Later, in following through to see how things were progressing, I was given my first shock. I was told that I would have to wait a while longer because my suggestions had been sent to my competitors to see if perhaps their figures might also be changed in order to take advantage of the suggestions that I had made.

It is a test for a salesman when he knows that his suggestions have been passed on to his competitors. In any event, this process

of going back and forth and having many meetings continued for sometime. Finally, on a day that I recall vividly, I went to the contractor's office with the expectation of getting my answer. While I was sitting on the "mourner's bench" waiting to be called, I talked with the girl, and she informed me that she believed my competitor had secured the contract. My heart sank, and about this same time my competitor came walking through the door with a big smile on his face and said to me, "Congratulate me." Nevertheless, I waited to see my man. When I did, he informed me that things were progressing and that I needn't wait. He said they would let me know the outcome. I felt this was an easy way of letting me down. Nevertheless, I kept thinking of what more I could do. No contract is ever won or lost until you have the answer in black and white, a letter saying you have lost it, or an order in your hands signed and sealed.

More days passed and many other changes were suggested. It got to be a complicated situation. One might very easily have taken the attitude of what's the use, I'll just forget it and wait. But the point I am trying to make here is that a salesman should never just wait to be informed of whether he has won or lost. He should continue to work and keep himself constantly before the prospective buyer.

Changes and suggestions and proposed alternatives continued for a couple of more weeks. Finally one day the contractor told me that there would be a meeting in the architect's office at two o'clock that afternoon and a decision would be made. I immediately asked him if I could attend the meeting and he laughed at me and said, "Absolutely not! This meeting is going to be with the owners, architects, contractors, and financial people. In fact, it will be a meeting of a complete building committee so that final decisions can be made." The best thing for me to do, I was told, was to go back to my office and wait. I would be notified.

I kept saying to myself, however, "Don't give up; don't give up," and finally I decided to do a most unusual thing.

At 1:30 I went over to the architect's office and sat in the lobby. In about ten minutes, the delegation arrived at the architect's office, including my man, Mr. S.; the Vice-President of the Blank-Blank Construction Corporation, and other executives. I stood

up and Mr. S. walked over to me and said, "What the —— are you doing here? I told you you couldn't come here."

I said to him, "The thought occurred to me from my experience that in a meeting of this kind some questions are bound to arise regarding hardware. I figured that if you knew that I was right out here in the lobby, ready to answer any questions or give any assistance whatever, it might save you or the committee some valuable time."

He laughed and said, "That is unnecessary. If there are any questions, we'll get in touch with you."

I said, "I'm tired anyway and I'll just sit and rest for a while," and he proceeded into the committee room.

It wasn't 15 minutes later when the door opened and Mr. S., with a big smile on his face, said, "Rolph, will you come in here a minute!"

I was ushered into the committee room and met the architect and the "big shots." A few questions were asked about French hardware. Lo and behold! My French competitor was in the meeting. Was I glad that I had pulled off the stunt of being on hand, because at least it would let him see that I was also on the job! I immediately decided that I would play ball with him and not antagonize him.

A discussion came up about the application of French hardware with domestic or Yale & Towne locks, and I mentioned that it would be a rather difficult technical arrangement because French dimensions were in millimeters, and for proper operations there might be some conflict. The architects stated that they wanted genuine hand-chased French hardware in mercury gold finish and that there was no one in America that could do this.

I said I knew that Yale & Towne was equipped to provide any type of hardware wanted and in any finish, particularly mercury gold, and we were perhaps the only hardware company in America that was able to do this work. The architect showed me a hand-chased lever handle in mercury gold of very fancy Louis XIV design and said, "This is the type of hardware we want." I asked him if he would let me have that sample, and I told him that within two days we could duplicate it to his entire satisfaction. A number of other questions arose and were satisfactorily answered,

and I left the meeting with the sample lever handle in my hand. The big thing had been done. *I was in!*

I rushed to the factory, and they worked overtime making a duplicate of the handle, hand chased by a Swiss chaser, and finished in mercury gold so that it was next to impossible to distinguish between the genuine piece and the duplicate. I took the two handles to the architect and asked him if he could tell which was the original one he had given me and which was the duplicate. He said that it was simple, but the joke of it was that he selected our handle. After he had examined it, he admitted that Yale & Towne hardware was of the highest quality and there was no question of our ability to take care of his requirements.

Many details were ironed out after this, and I became good friends with the French hardware man, who did furnish some of the special rooms. But today, the Savoy Plaza Hotel in New York is a monument to Yale & Towne hardware and a record of overcoming obstacles by using your head in selling.

I shall always recall two things that are prominent in this story. The first was the lesson that was taught to me by my mother when I first started in business. "The first key to success is to make people like you." The next was a statement taught to me years ago by our old Vice-President, E. C. Waldvogel, whose recipe on how to make a million dollars was "do the usual things uncommonly well." Another point highlighted by the experience was "Know your product, know your company, and have faith that you are going to win." Any salesman that keeps these things uppermost in his mind is bound to succeed.

On the point of knowing your product, I recall one big job when I was to give a talk to the building committee. My competitor stayed in the room and, without the courtesy to wait until I had finished, interrupted me on two or three points in the discussion. Finally I decided to show him up. Since this job was to use unit or so-called Mono locks, which are quite complicated from a mechanical standpoint, I took a screw driver out of my pocket and proceeded to take apart the lock I was selling. I laid every piece and spring out on the table in front of the committee, explained each piece, and reassembled the lock. Then I challenged my competitor to do the same with his lock. All this time I was

telling the story of why my lock was originally developed and the points of advantage to contractors and owners.

Another recipe for selling that I recall was given to me by an uncle of mine when I asked him how he won all his arguments and how he managed to become the success that he was. His recipe was "Use the other fellow's weapons to lick him with."

Perhaps the best example of the use of this argument I can recall was our securing of the contract for the Equitable Trust Company job in New York City.

In calling on the owner's representative or engineer who had charge of this job, I was coldly brushed off in the beginning by the engineer who said that there was no need for my trying to give him a sales argument on locks. He knew what he wanted and he knew what he was going to get. He had decided to embark on a new principle of taking care of tenant changes in office buildings. He stated that, because of numerous changes requested by tenants, he intended to carry in the basement a stock of corridor doors, communicating doors, and toilet doors complete with locks. He said the frames would all be standardized so that if partitions were to be changed, they would simply take off one door and change it from a communicating door to a cylinder-lock type door of whatever requirement was necessary.

The moment he made that statement a thought flashed through my mind and I told him his idea was fine; but if he'd pardon me, I wanted to tell him that we could go him one better. I said we were embarking on a new program developed around what we will term "standardized locks." As a matter of fact, we had not done this, but his argument, or rather his weapon, was what I used to win this job. I told him that we would furnish him locks that would be "standardized." For instance, all the fronts, strikes, and back sets, that is, the distance between the edge of the door and the center of the knob and the distance between the knob hole or thumb piece or cylinder would be of standard dimension so that we could save him the expense of carrying the complete door and lock set in stock. Then when he wanted to change the operation, instead of rehangng a complete door, he would only have to withdraw the lock on the present door and insert a lock of the type to be substituted. Thus time and expense would be saved for the owners and maintenance men.

This statement was the birth of "standardized locks" that are now used in the hardware industry, and it shows how the argument of using the other fellow's weapon to lick him is applicable in selling. Here was another contract for Yale & Towne that was secured by salesmanship.

Then there is "originality in salesmanship," such as we applied to the Robert E. Lee Hotel, one of the large hotels in the South. Figures were put in and a great deal of argument on price was brought up. We were out of the running until I chanced to see a prospectus that had a beautiful picture of General Robert E. Lee in color on its outside page.

Knowing Yale & Towne's ability to create the unusual, the thought occurred to me if we could put the face of Robert E. Lee on the knobs we would be sure to make a hit with the owners and the committee. I took the picture to our experimental department and we made up a model in plaster and then cast one, chased and finished it, and submitted the sample, which was shown to the committee on hardware.

We secured the job, and it was one of the finest examples of casting that was ever done in the hardware industry.

This experience I believe indicates that price alone does not always definitely settle a contract, but "using your head" and "doing usual things uncommonly well" means the difference between the loss or the acquisition of an order.

I want to relate one more experience that again demonstrates that there is more than one way to skin a cat and win a job by "overcoming obstacles." I recall some years ago that a beautiful parish house was being built by the church that I attended, and naturally I felt that I not only wanted the job but I deserved it. After contacting the architect and contractors, I discovered I was getting the merry runaround and the time was fleeting by. I appealed to the Rector, who was head of the building committee, and asked him if he wouldn't give me a letter to the architect so that I might find out just why I didn't seem to be able to get to first base on what was being used on the job.

I went to see the architect, but his assistant came to me and explained that he was sorry but there was nothing he could do to help me because the job had been settled. I said that I was surprised because I had just been informed that all the figures had

not been submitted, and I thought I was entitled at least to submit a bid. I asked him if he would not give me a copy of the specifications. He told me he was sorry but he did not have them available. Apparently, in order to discourage me, he stated that all the data and samples were in the office of my competitor. Here again I wondered what I could do. I felt that I had to have this job.

It happened to be in the winter and I had on a black broadcloth coat with a Persian lamb collar and a black felt hat. It dawned on me that I looked like a minister. Maybe I could try a new stunt. So I walked over to the office and show room of our competitors and when I spoke to the receptionist I asked if I could see the gentleman who was handling the St. John's Parish House job in Waterbury, Connecticut. She called the gentleman out and I simply said that I was a member of the parish and asked if he would be kind enough to show me the selection of the hardware that was to be used on our new building. He ushered me into the sample room and started showing me the samples and entire layout. In fact, he was most courteous and answered all my questions concerning master keys, finishes, and other specification data.

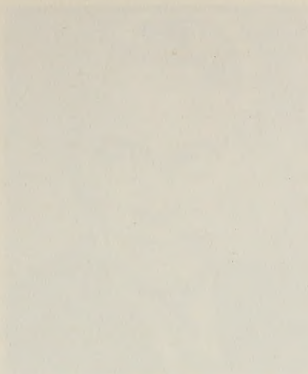
He was so courteous that my conscience began to bother me. I said to him, "Mr. Michelson, you have been very courteous to me and you haven't even asked me my name." I then introduced myself as Mr. Sam Rolph of Waterbury, Conn., representing Yale & Towne. I told him that I really was a member of the parish, but I was also his competitor and wanted him to know that I was only after a fair chance to win this job. I informed him that he was going to be up against some pretty stiff competition. I had been getting the runaround just long enough to make it necessary for me to resort to drastic measures in order to get a bid in on this job.

He was dumbfounded, but at least appreciated the fairness of learning the type of competition he was up against.

The result was that I secured the job and also became a good friend of the architect because of the service and attention to all the details necessary to the job. My service led to a close relationship with this particular firm of architects and resulted in continuing business.

In concluding, let me summarize the points that I believe make for successful selling.

1. Make everyone like you.
2. First impressions are what count. The moment a buyer looks at you, he sizes you up and forms his opinion. Your dress and appearance and your ability not to be brushed off but to speak of something that creates interest, which you can direct toward your product, prove to him that you know your business and you know your product.
3. The next is "do the usual things uncommonly well."
4. "Use the other fellow's weapons to lick him with." Everyone has a pet idea. It is not right to make the fellow think he knows nothing and you know it all. Agree with his principle and improve upon it.
5. If possible take your product apart for demonstration. Remember, impressions enter the mind through the senses: sight, hearing, smell, and touch. Give him something to handle so that the sense of feeling operates.
6. Last, but not least, "use your head" and have a steadfast faith that you are going to win and that you are not going to let any obstacle stand in your way. Test it in your own laboratory. Try it out on your wife. A wife can be a great help sometimes; mine has. Be fair, be firm, and do not be afraid to ask for divine guidance, because, after all, "All things are possible to him that believeth."





FRANK BETTGER

Forced to leave grammar school early, Frank Bettger began working at the age of 14 as a plumber and steamfitter's helper. At 18 he became a professional baseball player and later played third base for the St. Louis Cardinals for two years. An injury forced him out of baseball and he eventually turned to selling.

At 29 years of age he was a total failure. Yet, during the next 11 years he made enough money as a salesman to purchase an \$80,000 estate and could have retired at 40. For 20 years he was among the first five salesmen, nationally, of the Fidelity Mutual Life Insurance Company of Philadelphia. He led the field six different times. During his selling career he made over 40,000 calls and developed the sure-fire sales principles presented in this book. He has lectured for years to the Dale Carnegie schools in New York City and throughout the country. He has been paid as high as \$250 a day for training salesmen for some of the country's leading companies.

Dale Carnegie says: "After working with many sales instructors for years, I regard Frank Bettger as the best teacher of sales training in America today."

41. A \$250,000 Sale in Fifteen Minutes

AFTER Clayt Hunsicker took me aside up in Boston and taught me the big secret of selling, my enthusiasm reached a new, all-time high. I thought all I had to do now was to go out and see enough people—and selling would be easy!

During the next few months my sales record *did* show a definite improvement, but still I kept meeting with too much opposition. I couldn't understand why.

Then one day, while attending a sales congress at the Bellevue-Stratford Hotel in Philadelphia, I heard one of America's top salesmen reveal an amazing method that gave me the answer in a nutshell. He was J. Elliott Hall, of New York City. Although he has been retired now for several years, Elliott Hall's record still stands among the all-time top producers.

Mr. Hall told how he had failed as a salesman and was about to quit when he discovered the reason *why* he was failing. He said he had been making too many "positive statements."

To me, this sounded silly.

But he then electrified that large audience by throwing the meeting wide open to objections and answers. Two thousand salesmen began firing objections at him from all directions—objections that prospects and customers had been "brushing 'em off" with every day.

The excitement became terrific as Elliott Hall gave a super-demonstration of how he met these objections—not with smart stock answers found in books written about "How to Meet Objections." He met these objections by *asking questions*.

He didn't attempt to tell his objectors that they were wrong, and show them how much smarter he was than they. He simply

asked questions with which his objectors had to agree. And he kept on asking questions until the answers added up to just *one* conclusion—a sound conclusion based on facts.

The profound lesson I learned from that master salesman changed my whole way of thinking. He never gave the impression that he was trying to persuade or influence anybody to *his* way of thinking. Elliott Hall's questions had only one purpose:

To help the other fellow recognize what he wants, then help him decide how to get it.

One of the toughest objections to overcome, the audience told Mr. Hall, was: "I haven't made up my mind whether I'm going to take it or not."

"My job," answered Mr. Hall, "is to help the customer in making up his mind. There is no question in the world as to whether or not . . ." Then, he'd sum it all up with questions.

"*I want to go home and think it over,*" one salesman said was his stumbling block.

"I am going to find out if we can help you to think it over," answered Mr. Hall. "You don't *have* to think over the . . ." Back went Mr. Hall to his questions, in order to help his objector find just what it *was* he wanted to think over.

Even with all of his persistence no one got the impression that Elliott Hall was arguing or contradicting anybody. He was extremely forceful, yet never once did he *argue*, or contradict, or offer a fixed opinion of his own. His attitude was not that of "I know I'm right; you're wrong."

His method of helping people to crystallize their thinking—with questions—continues to be without parallel in my experience. I shall never forget him and the substance of what he said.

As I listened, pop-eyed, to Elliott Hall that day, I resolved that, from then on, I would make it a major ambition of mine to try to cultivate this great art which he had mastered to such a high degree—the art of asking questions.

A few days after Mr. Hall's talk, a friend of mine called me on the phone and said that a large New York manufacturer was in the market for \$250,000 of life insurance. He wanted to know

if I'd be interested in submitting a proposition. This manufacturer's company was borrowing \$250,000, and the creditors were insisting on that amount of insurance on the life of the president. About ten large New York companies had already submitted elaborate proposals.

"Sure I'll be interested in submitting a proposition," I said, "if you can arrange an appointment for me."

Later that day my friend phoned that he had succeeded in arranging an interview for the following morning at 10:45. Here's what happened:

First I sat there at my desk thinking what to do. Elliott Hall's talk was still fresh in my mind. I decided to prepare a series of questions. For half an hour my mind just ran around in circles. Then some questions began to pop—questions that should help this man crystallize his thinking and aid him in making a decision. It took me nearly two hours. Finally I had written down 14 questions at random. These I rearranged in more logical sequence.

The next morning on the train going to New York, I studied the questions over and over. By the time I arrived in Pennsylvania Station, I was so excited I could hardly wait for the interview. To strengthen my confidence, I decided to take a long chance. I phoned one of New York's biggest medical examiners, and arranged an appointment for my prospective customer at the examiner's office for 11:30 A.M.

Arriving at my prospect's office, I was greeted by his secretary. She opened the president's door and I heard her say, "Mr. Booth, there's a Mr. Bettger from Philadelphia here to see you. He says he has an appointment with you for 10:45."

BOOTH. Oh, yes. Send him in.

ME. Mr. Booth!

BOOTH. How do you do, Mr. Bettger. Have a seat. (*Mr. Booth waited for me to talk, but I waited for him.*) Mr. Bettger, I'm afraid you're wasting your time.

ME. Why?

BOOTH (*pointing to stack of proposals and illustrations on desk*). I've had plans submitted to me by all of the leading New York companies, three of which were presented by friends of mine—one of them a close personal friend; I play golf with him every Saturday

and Sunday. He's with the New York Life; that's a pretty good company, isn't it?

ME. None better in the world!

BOOTH. Well, Mr. Bettger, under the circumstances, if you still feel that you want to submit a proposition to me, you can make up figures for \$250,000 of insurance on the ordinary life plan at my age, 46, and just *mail* it to me. I will put it with these other proposals and sometime during the next couple of weeks, I expect to reach a decision. If your plan is the cheapest and the best, you will get the business. But I think you are just wasting your time and my time.

ME. Mr. Booth, if you were my own brother, I would say to you what I'm going to say to you now.

BOOTH. What's that?

ME. Knowing what I do about the insurance business, if you were my own brother, I would tell you to take all those proposals and immediately throw them into that waste paper basket.

BOOTH (*obviously astonished*). Why do you say that?

ME. Well, in the first place, properly to interpret those proposals would require an actuary, and it takes seven years to become an actuary. But even if you were able to select the lowest-cost proposition today, five years from now that very company could be among the highest-cost companies of this group. That is history. Frankly, those companies you have selected are the best in the world. You could take all those proposals, spread them over the top of your desk, close your eyes, and the one you happen to point at could just as likely be the lowest-cost company, as the one you would carefully choose after *weeks* of deliberation. Now, Mr. Booth, my job is to help you arrive at a final decision. In order to help you do this, I must ask you some questions. Is that all right?

BOOTH. Sure. Go right ahead.

ME. As I understand it, your company is to be extended a running line of credit of a quarter of a million dollars. Part of the deal is that your life is to be insured for \$250,000, the policies to be assigned to your creditors. Is that right?

BOOTH. Yes. That is right.

ME. In other words, they have confidence in *you*, if you live, but in the event of your death, they don't have the same confidence in your company. Isn't that right, Mr. Booth?

BOOTH. Yes, I suppose that's right.

ME. Then why isn't it of paramount importance—in fact the *only* thing of importance—that you obtain this insurance immediately and transfer that risk to the insurance companies? Suppose you should wake up tonight, in the middle of the night, and it should suddenly occur to you that the fire insurance on your large plant up in Connecticut had expired yesterday. Why you probably wouldn't be able to get back to sleep the rest of the night! And the first thing tomorrow morning you would have your broker on the phone telling him to protect you immediately, wouldn't you?

BOOTH. Of course I would.

ME. Well, your creditors regard this insurance on your life with just the same importance that you regard the fire insurance on your plant. Isn't it possible that if anything developed whereby you would be unable to obtain this insurance on your life, your creditors might reduce or even entirely refuse to grant you this loan?

BOOTH. Oh, I don't know, but I suppose that's quite possible.

ME. And if you should find yourself unable to obtain this credit, wouldn't it probably mean thousands and thousands of dollars to you? Wouldn't it probably mean the difference between a profit and a loss to your business this year?

BOOTH. Yes. I suppose that is true.

ME. Mr. Booth, I am in a position to do something for you this morning that no other living person can do for you!

BOOTH. What do you mean by that?

ME. I have an appointment for you this morning at 11:30 with Dr. Carlyle, one of the leading medical examiners of New York City. His examination is recognized by practically all the life insurance companies. He is the only medical examiner I know whose single examination is good for \$250,000 of insurance on one person's life. He has electrocardiograph and fluoroscope machines and all the other equipment necessary for such an examination as you require right in his office at 150 Broadway.

BOOTH. Can't these other brokers do the same thing for me?

ME. Not this morning they can't! Mr. Booth, recognizing the serious importance of having this examination made immediately, suppose you should telephone one of these brokers this afternoon and tell him to proceed at once. The first thing he would do would

be to phone one of his friends, a regular examiner, and try to have him here in your office this afternoon to make the first examination. If the doctor's papers were mailed out tonight, one of the medical directors for that particular company would sit at his desk at the head office tomorrow morning looking at you on paper. If he decided that you were a quarter-of-a-million-dollar risk, he would then authorize a second examination by another doctor who would have the necessary equipment. This all means further delay. Why should you take this risk for another week, even another day?

BOOTH. Oh, I think I'm going to live a while.

ME. Suppose you should wake up tomorrow morning with a sore throat and find yourself laid up for a week with the grippe? Then when you were well enough to have this difficult examination made the insurance company would say to you: "Now, Mr. Booth, we think you are going to be all right again, but there is some little condition that has developed as a result of your recent illness, and we must postpone action for three or four months until we find whether it is temporary, or something permanent." You would then have to tell your creditors that the final judgment was postponed. Isn't it possible that they would postpone the extension of this loan to you? Isn't that a *possibility*, Mr. Booth?

BOOTH. Yes, of course that's a possibility.

ME (*looking at my watch*). Mr. Booth, it is now 11:10. If we leave here immediately, we will be able to keep that appointment with Dr. Carlyle in his office at 11:30. You look as though you never felt better in your life. If you are as good on the inside as you look on the outside, you should be able to have this insurance in effect in 48 hours. You *are* feeling well this morning, aren't you, Mr. Booth?

BOOTH. Yes, I'm feeling very well.

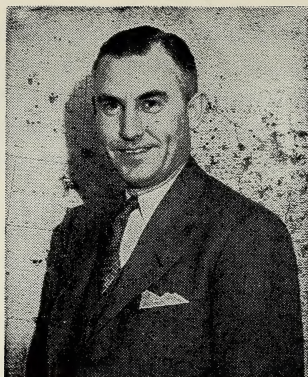
ME. Then why isn't this examination the most important thing in the world for you to take care of right now?

BOOTH. Mr. Bettger, whom do you represent?

ME. I represent you!

BOOTH (*bowing head in thought. Lights cigarette. After a few moments slowly rises from desk, looks into space, walks over to window, then to hatrack. Takes hat off rack and turns to me*). Let's go!

We rode down to the doctor's office on the Sixth Avenue subway. After the examination was satisfactorily completed, Mr. Booth seemed suddenly to become my friend. He insisted on taking me to lunch with him. As we began eating, he looked at me and began to laugh. "By the way," he asked, "what company *do* you represent?"



Bob Engeler

ROGER HULL

Executive Vice-President, The Mutual Life Insurance Company of New York, became one of the youngest executives in the life insurance business when he was elected Vice-President and Manager of Agencies for The Mutual Life in 1941. He was nearing 34 years of age at the time.

Mr. Hull has been with the Company for nearly 23 years. He joined The Mutual Life in July 1928 as a field underwriter at Meridian, Miss. In 1931 he was appointed District Manager at Meridian and three years later he received the designation of Chartered Life Underwriter.

In September 1935, he was advanced to be manager of the Nashville, Tennessee agency and within three years he came to the home office as Assistant Superintendent of Agencies. On November 1, 1941 he was elected Vice-President and Manager of Agencies, the post that he had held until his election as Executive Vice-President of the Company.

In the field, Mr. Hull was among The Mutual Life's leading underwriters, qualifying consistently for the National Field Club, company honor group. As a District Manager and Agency Manager, Mr. Hull made an outstanding record in supervisory and organizational work. In his post at the home office as Assistant Superintendent of Agencies, he was instrumental in developing a new training procedure for Field Underwriters that served as the basis for the company's present training methods. At the same time extensive research was begun and the groundwork was laid for a new compensation plan for Mutual Life Field Underwriters.

attended Mississippi State College and received his A.B. degree from Kentucky Wesleyan College at Winchester in 1928. He joined The Mutual Life immediately after his graduation.

Mr. Hull lives in Darien, Conn.

42. The Fundamentals of Selling: Yes and No

WHATEVER YOU SELL, whether a product, a service, or an idea, nothing is quite as fundamental to successful selling as the two words *yes* and *no*. What those words mean and what to do about them in a sales interview are the sum of the education of every man who ever sold anything.

Twenty-two years ago, when I ventured into life-insurance selling, a rate book, a heart-to-heart talk, and a pat on the back were standard equipment for fledgling life insurance agents. For most of us who started out in those days with a handful of application forms and a determination to fill them, exposure to sales techniques consisted of little more than our past experience as "buyers." Integrated sales training and teaching programs as we know them today did not exist. Each new man had to learn the fundamentals of selling by trial and error for himself, and my first lesson wasn't long in coming.

About eight months after starting in the business, I wrote an application for a \$10,000 policy for a man who was perfectly capable of paying the \$300 premium. When the policy arrived two weeks later, I made a date to deliver it at his home, at which time I was to collect the first premium.

In those days we also issued an extremely liberal disability contract, which a man could add to his regular life insurance policy. I didn't know all the facts behind this special disability contract; but since it was supposed to be a "hot item," I thought it was good business to sell one to every man who could get it. As a result, when I called on my prospect at eight o'clock in the evening to deliver the policy, I quickly reviewed provisions of the life insurance policy, then went to town on the disability.

For the best part of an hour, I banged away at the disability idea and why he should have it. When I finally stopped talking and asked him to buy, he said, "Yes, tell you what I'll do. *I'll take that policy if you'll just leave that damn disability out of it.*"

The sale was made, but I didn't take it. I didn't know enough. Because I was a novice at salesmanship and because I believed he should have the disability, I proceeded to point out again the advantages of this contract. By eleven o'clock that night I had succeeded in *not selling* the disability and in *not selling* the original policy as well.

That was lesson number *one*: *When a man says, "Yes," take him up on it.* It cost me cash commissions at a time when every commission meant a lot to me to learn that there is no point in trying to sell a man something he doesn't want, particularly when you may endanger the sale of something he vitally needs. It is better to sell him one idea at a time. Give him what he wants, and if you still feel he should take something else, go back to sell it later.

Lesson number *two* was tougher. At least it took longer to learn what to do about a man who says, "No!"

Jim was a man I had known for many years. He was married, had two children, and owned a gasoline supply business in a town where I went to college, about 100 miles from my home. We had become friendly during college days when I bought my gasoline from him. Later, after I started to sell life insurance, I always made it a point to stop at his place to buy gas whenever I happened to be in his town.

From what I knew of his family and business situation, there was no question about his need for life insurance. In fact from an underwriter's standpoint, he possessed all three favorable factors that make an ideal prospect:

1. He needed the additional insurance.
2. He could afford to buy it.
3. He was insurable, an important requirement in the consideration of any life insurance prospect.

Yet oddly enough, the factor of insurability was the one thing which stood in the way of my sale. For if anything, he was *too healthy*. A tall, fine figure of a man in his early forties, he weighed 195 pounds and had never been sick a day in his life. Whenever

I got around to the subject of life insurance, he'd just throw back his head, laugh and say:

"Don't look at me, I'm in perfect health. I'll be here fifty years from now . . . no reason for me to worry about life insurance. Besides, I already have \$10,000."

This continued off and on for a period of about two years. Once a month, on the average, I would stop at his place to buy gas and talk with him. Because I knew he needed the additional protection, I never missed a chance to bring up the subject of life insurance. But whenever I did, his answer was always that polite but implacable *no!*

Finally, on Saturday night on my way home I drove into his place about ten o'clock. We began talking generally about his business and sooner or later picked up the continuity of two years' previous discussions about life insurance. After pointing out the fact that his family might lose or be forced to sell his business if anything should happen to him, for the first time he conceded that maybe his \$10,000 of insurance wasn't enough. But then he added, "I don't know what I'd use right now to pay for any more."

"Jim," I said, "if you can't figure out how to pay for it now, how do you think your family will be able to find the money when you are out of the picture?"

That did it, up to a point. But he was still not ready to buy. Not until after midnight did he agree to complete an application, and it took another midnight session before I could deliver the policy and get his check.

On that night after leaving with the check, I drove home, reaching there about two o'clock in the morning. At seven o'clock Tuesday morning, my brother who lived in that town called me on the telephone.

"I know you have been working on Jim," he said. "How did you make out?"

"We closed the case last Saturday night, and he gave me his check before I left."

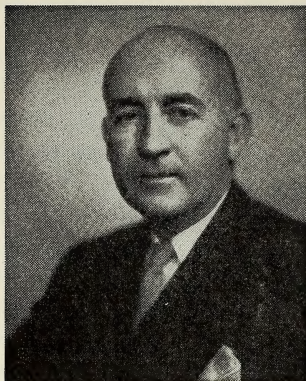
"Jim was killed this morning at five o'clock," he said.

Jim's gasoline storage tanks were located alongside a railroad cut. Late that night one of the storage tanks had developed a leak and sparks from a passing train had set a small stream of gasoline ablaze. With the fire equipment he had on his place he was able

to get the fire under control and to patch the leak in the tank. But that night after he had gone to bed a house nearby caught fire. He was the first to discover the fire and before the volunteer fire department arrived, he awakened five people and got them out of the house. Then, as he helped the fireman to drag a hose alongside the house, a water tank in the kitchen exploded, pushing out a wall that killed him instantly.

Ironically enough, Jim's wife had never believed in life insurance. When I called on her soon afterward to pick up the policies and complete papers that would mean security for her and the children, she hesitated to sign. It had all happened so quickly she couldn't believe that something that had to be *sold to them* could suddenly be worth more than anything they had ever *bought*.

But for myself, there has never been any greater reward than to be able to turn over a fund of \$20,000 to the wife of a friend who had said "NO!" loud and often.



Fabian Bachrach

PHILIP J. KELLY

started his business experience with the Goodyear Tire & Rubber Company of Northern Illinois as general line salesman. He also operated a special small branch office and warehouse. Later, with the Lucal-Kelly Company of Oak Park, Illinois, he helped create and operate one of the first "one-stop" service stations and automatic automobile laundries.

As Advertising Manager and Assistant Sales Manager of the Mason Tire & Rubber Company, he assisted in building a hard-hitting sales organization that made a little advertising go a long way.

In the B. F. Goodrich Rubber Company, Akron, Ohio as Director of Advertising and Publicity, he administered a three-million-dollar budget covering every phase of the rubber business. As Assistant Sales Manager in the Tire Division, he was responsible for interesting petroleum companies in the distribution of tires and training service station operators in selling them.

He served as Sales Promotion Manager of the Colgate-Palmolive-Peet Company in Jersey City, and then as Vice-President and General Sales Manager of the Carstairs Division of the Calvert Distillers Corporation in New York. In this capacity he built Carstairs White Seal Blended Whiskey into one of the largest sellers on the eastern seaboard.

He next served as Vice-President and member of the Board of Directors of the Lennen & Mitchell, Inc., one of New York's major advertising agencies. He was personally responsible for the Calvert and Carstairs accounts.

Mr. Kelly's last position was with the National Distillers Products Corporation, New York, as Director of Advertising and Promotion on all its alcoholic beverages including bonded whiskies, straight whiskies, blended whiskies, gins, rums, wines, cognacs, and cordials.

43. Would You Walk Down the Track?

THE ORDINARY SALESMAN today thinks he is a hero if he does a good day's work.

But as a young salesman for the Goodyear Tire & Rubber Company in Northern Illinois, I was so thoroughly inspired by the excellent leadership of the Chicago Branch Manager, Charles Williams, that the only way I ever found out that business was bad was by leaving my own territory.

"Cap" Williams was one of the greatest sales managers that ever lived. He knew that salesmen understand only two things, reward and punishment.

As a result, he was ready and anxious to praise good work and was downright violent in his criticism of errors or omissions.

He would demonstrate all of his selling theories by personal action in the field with his men.

I was so deeply imbued with the idea that in selling Goodyear products, I was rendering a service to humanity in general and to Northern Illinois in particular that I worked day and night with a holy zeal.

That youthful enthusiasm had an opportunity to express itself during the winter time when roads were closed to cars and it was necessary to make many small towns by train. Busses did not exist. Trains were few and far between, and you had to be good to make more than one town a day if you relied on the railroad. Being full of beans and youthful vigor, I did not rely on the railroad; I relied on my feet. Here's how it worked.

I would take a train out of Chicago and go to Wauconda, Illinois, arriving fairly early in the morning. Few salesmen ever went to this town in the winter time because there was no way to get out of it without spending a full day. Because I was the only salesman around, it was easy for me to do my business, get a healthy

"spring dating" order for tires, and get out of town on foot. Having a burning desire to repeat the same performance in Lake Zurich, the same kind of town six miles down the track, I would pick up my bag and walk down the track to Lake Zurich. It usually took two hours or better, depending on the depth of the snow. Again I would have the town to myself if the snow was deep enough. I would work it thoroughly the balance of the afternoon, selling tires, tubes, accessories, belting, packing, and hose.

In regard to hose, I discovered that the regular retail outlets such as hardware stores were pretty well tied up with our competitors. Not knowing any better, I started to call on plumbers and sold them the idea that hose was nothing more than rubber pipe and should be considered part of the plumbing. Therefore, it should be sold by plumbers. This idea took hold and the largest hose dealer in the Chicago branch that year turned out to be a plumber in Lake County. This is an example of what happens when a salesman does not know any better than to do what comes naturally.

To go back to my day's routine; after a wonderful day and a full order book, I would eat a healthy dinner at a local farmhouse and get the night train back into the city so that I could get out on the main line in the morning.

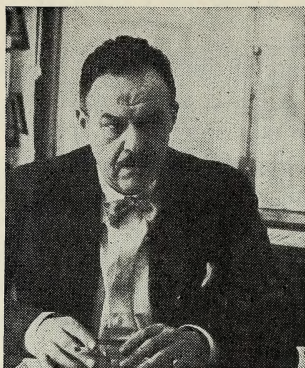
During this period, Goodyear had a slogan that consisted of the simple phrase, "It Can Be Done." L. C. Rockhill, the General Sales Manager, and R. S. Wilson, the Division Manager, were the kind of leaders who could take a slogan like that and make it mean something. It was not hypnotism that made my associates and myself believe we could really do anything we made up our minds to do; it was faith and conviction. The result was that when we got into a small town that was difficult to get out of in winter, we covered practically every retail outlet because we had something to sell to almost everybody: tires to the garage, pneumatic truck tires to the few truck owners (the change from solids to pneumatics was a crusade in itself), belting to the mill, packing to the steam plants, sheet packing to hardware stores, heels to the cobbler, home-applied shoe taps to the grocery store.

We had a great and convincing sales story with every product. Each story was an honest story, so it naturally followed that we made our selling presentation with honest enthusiasm and personal conviction. If retailers were not too busy, they would be glad to

see you; they had plenty of time to talk. I was a fellow from a big city and working for a big company that had important things to say. As long as there was no one else around, listening to me was the most important thing they had to do. It paid off both ways.

Now there is nothing smart about this kind of a selling story. It isn't even clever. But it does tell the story of what happens when inspired leadership directs a young salesman who wants to make good. Today there are many inspiring sales leaders who have their men engaged in a perpetual crusade, but there are not enough of them.

Measure your own enthusiasm, your own belief, your own conviction with the experience in this short story. Then ask yourself these questions: "Would you hire yourself as Sales Manager?" "Would you hire yourself as a salesman?" "Would *you* walk down the track?"



RICHARD DE ROCHEMONT

Producer of "The March of Time," New York, has been interested in motion pictures since his days at Harvard, from which he was graduated in 1928. While at school, he had two jobs to carry him through. He was a newspaperman in Boston and an editor on the local edition of the old silent Pathe newsreel.

Originally, he had planned to teach English literature. Born in Chelsea, Mass. near Boston on December 13, 1903, the son of an attorney, he was educated in New England public schools, and the Cambridge Latin School where he first learned of the pleasures in literature and writing.

Looking for a job while at college, he heard that the Boston "Advertiser," a tabloid, was going to make the first such experiment and hire three college men as reporters. Mr. de Rochemont was successful in writing for their sensational human approach to the news. The other two reporters did not survive. Later, he had to resign for final examinations in his senior year.

After graduation, he was married and took a trip to France. He then went to work for the Old New York "American." He reported also for the "Sun" in 1929 until a job was offered to him with the Movietone Newsreel, as foreign editor. He accepted and in 1931 was happy to be sent to Paris as the director for France of Fox Movietone.

In 1934, his brother, Louis de Rochemont, and Roy Larsen, then circulation manager of Time, Inc., founded "The March of Time."

In November, Richard joined as General Foreign Manager and director, holding the post until 1940, when he left France to return to America as Managing Editor. In 1943, Louis left and went to Hollywood as a producer. Richard has since been producer of "The March of Time." During the war, he was a foreign correspondent for "Life" and "Time," accredited to the French Army and later the U.S. Forces. He was awarded membership in the Legion of Honor and received other outstanding citations.

44. Selling an Order to the Vatican

IMAGINE that you had an idea that you believed to be in the public interest. Suppose the Pope of the Roman Catholic Church were the only person to whom the idea could be sold. How would you make the sale?

I had such an idea in the summer of 1939. *The March of Time* was younger in those days and was anxious to establish a reputation for getting into places that had not yet been penetrated with a documentary movie camera.

That would require personal selling in high places. What person representing a timeless way of life would permit cameras to focus on its atmosphere and mirror it before millions?

My idea involved the Vatican. That city is a vast treasure house of culture. In 1939, however, it had been sacrosanct as far as movie cameras were concerned. Today, after the Holy Year of 1950 has ended and millions from the corners of the world have visited the Vatican, one might well overlook the fact that up until ten years ago no documentary film of the city had been made. Perhaps film producers had no confidence in their ability to "sell" the idea. Perhaps they hadn't thought of the purpose that would be served. I did.

I was at that time foreign manager of *The March of Time* in Paris and had held that post since 1934. When I visited my brother, Louis, who had created *The March of Time* and is now out in Hollywood, I told him of my idea.

"Dick," he said, shaking his head, "you must know you can't get into the Vatican with a camera."

"Louis, the time has come, I believe, when the Vatican would like more people of the world to know what the city and its personalities are like." I explained, "It's not an irreverent proposal. Tension is mounting and another world war seems to be hovering

over us. Perhaps the Vatican would be isolated from the rest of the world. I'm sure the Pope anticipates such difficulties. I think he would permit us to do a documentary film."

"But how are you going to get to talk to him?" Louis wondered.

I couldn't answer. I reiterated my over-all confidence and we arranged for the attempt. It was to be my most unusual selling job and my biggest "coup."

Much was learned from that experience about the type of personal selling *The March of Time* is often called upon to do. You can succeed, it seems to me, only when you and the one person who has the authority to make a decision, your potential customer, have established a genuine identity of interest. You as the salesman have to put your finger on a basic need and bring forth a satisfying solution.

After crossing the ocean, I stopped in Paris to pick up the picture director. Then we entrained to Rome to lay siege to the Vatican.

I mentioned that I learned something about selling in 1939. The vital phase of selling, going to the top, was considered extremely difficult. So, my approach was indirect and spread thin. When I tackled the job of bringing *The March of Time* to the Vatican, I went to see a long list of officials and various Italian laymen. I was armed with a brief case full of letters of introduction from people here, whom I had sold on the idea. Each person had given me the name of a particular contact in the Vatican who could "arrange" it.

None of them, unfortunately, were to prove effective. Curious things happened. Many official people we contacted were suspicious. They hadn't heard of *The March of Time*, they told me in Italian. Some spoke of the irreverence of an American who wanted to film the Vatican. All of the church officials were recalcitrant although they did investigate me and discover that I was on the level.

What disturbed me most, however, was the fact that we ran into so many professional "fixers," laymen who inhabited the surroundings of the Vatican and offered help in arranging to obtain permission. I was upset by the matter and soon stopped trying to talk with laymen.

Some of them had wanted as much as a half million dollars. Incidentally, I told the puzzled officials that in return for the

inconvenience we would cause taking the film, we were prepared to make a contribution of \$5,000 to the Vatican.

Having eliminated the fixers, I was left with a network of officials who would not make the slightest commitment for fear of embarrassment to their positions.

Seven weeks had passed. I had approached that very familiar point in which I was about to throw in the towel. Then, while sitting in the Ambassador Hotel in Rome, sipping wine and day-dreaming, I made the acquaintance of a French newspaperman who had covered Rome for many years. We discussed the idea, after chatting about Paris, of course, and he shook his head.

"M'sieur de Rochemont," he said, "all decisions are made by one person. Why do you deal with people who cannot approach the Pope with such an unprecedented suggestion?"

He convinced me that since there was no provision in the ecclesiastical law and policy for such an idea as *The March of Time*, working through the usual channels would be fruitless because no subordinate would care to pass the idea up the line. There was only one thing to do. That was to find a man who had access to the Pope personally. I told the Frenchman that of course it was just about impossible for me to find such a man.

"Who does the Pope talk to?" I asked.

Newspapermen everywhere have to find "pipelines" for information. He knew of a gracious man who might listen.

"The Father General of the Dominican order," he replied. "His name is Gillet and he is at the Monastery of Santa Sabina. He sees the Pope every two or three days, and some say he and the Jesuit Father General are the two ears of the Vatican."

So I phoned Father Gillet at the monastery. I refused to state my business to the man who answered, except to say that I had an urgent mission from the United States. An appointment was arranged for 8:30 P.M.

That cool summer evening, I taxied over to the monastery just outside of Rome. It was an enormous structure in excellent state of repair, and as I stepped out of the taxi, vintage 1919, I could sense the timelessness of the quiet place.

I rang the doorbell, and a figure in a monk's habit appeared and peeped cautiously through the loophole. I stood erect and brushed the right end of my mustache slightly. When he heard of my

appointment, he ushered me into the reception room, which resembled a large, bare cell. As I sat there, I watched the monks pass by silently. Five minutes later, at precisely 8:30 P.M., one of them motioned to me to follow him.

We walked down long, dim corridors that were exactly as I would imagine medieval interiors to be. When at last we entered Father Gillet's study, my jaw dropped slightly as I beheld an elderly, cultivated gentleman with pince nez glasses, in the white robes of the order, seated in back of a huge desk with *seven* telephones on it!

"Mr. de Rochemont," he said with a smile, in French. "I am happy to meet you. What is it that we can do for you?"

I told him I was foreign manager and had just begun to explain *The March of Time* to him when he motioned with his hand and then said, "We know of *The March of Time* and are quite interested to hear what sort of proposal you wish to make."

"Father, I feel that in the present world situation, Americans are anxious to know more about the historic scenes and the present situation of the Vatican," I began.

"I am convinced that this can be done best by an objective documentary film, not a devotional film. We have no axes to grind; we are reporters. We simply want to be informational and hope that you will permit us to show to millions who may not have an opportunity to visit this treasure house of culture what it is like today. We come to you because we have not been able to reach the Pope through the usual channels."

"You are right," he said. "There is only one who can decide. I will see the Holy Father tomorrow morning and you shall have your answer by 5 P.M."

By that time the next day, I had my bags packed and was ready to return to Paris. I was quite satisfied that, as a salesman, I had told my story concisely and effectively to a man close to the policy-maker.

I was reading and had just lit a cigarette when the phone rang. It was Father Gillet. I put down the cigarette. "The Holy Father has heard your suggestion," he began slowly. "He is in agreement that a good purpose would be served by such a film and is prepared to give orders that all the necessary facilities be made available to your cameramen."

I was happy and inwardly excited. I thanked Father Gillet and

expressed my gratitude to His Holiness. Even in such a project, however, exclusivity was involved, and I felt I must ask him about payment for the important privilege and the inconvenience we might cause.

"That is not important," he told me. "You may use your own discretion as to whether you wish to contribute toward one of the Holy See's charitable endeavors."

I said that before leaving New York we had arranged to make such a donation. I also told him of the "arrangers" and he said frankly, "It is most unfortunate but true that such people exist." He added that if we made out a check, it should be made out directly to the Holy See. We were not to pay any of the arrangers.

The film was completed in 1940 after five months of shooting. There was much to capture the interest of the producer. Meanwhile, the war had begun. The Germans had thundered across Europe, and tension was very high as Mussolini strutted on his balcony.

Every promise was respected by the Vatican. Officials were kind in the midst of a continent in turmoil. The film was released under the title "The Vatican of Pope Pius XII," and later it was shown under the "Story of the Vatican."

It was presented to 40,000,000 Americans and many more millions abroad. Today, prints are still circulating around South America and parts of Europe. I think we were successful in capturing the ageless charm of the city.

Reflecting on the experience, I believe it taught me that decisions are made on the basis of legitimate, common interest between two people who can make decisions. In producing *March of Time* films, I have since rejected any "arrangers." When I have prepared my selling point, I present it to men at the top level only. It is a personal thing.

So it is with all selling.

If you were to ask me today what the philosophy of *The March of Time* is, what I try to sell, my answer would be based on the accelerating rate of change in our world.

I believe the basic need of the American people today is not simply for security of the material kind about which we hear so much.

Every one of us needs to feel a higher measure of emotional

security. This can come, it seems to me, only when we all experience a keener sense of *belonging* to our great land and participating in its important mission of selling mankind a constantly improving way of life and an equitable one.

When a man realizes that he is a vital part of America's future, his future and that of his fellows, and has a share in its goals, his demands for material security become less strenuous. Men in management have learned this. It is the principle of identification, which is in many cases a basic emotional need of the individual. It is a public relations job for us all everyday.

So our films attempt to show the individual how he belongs, just as a salesman shows a client how the goods or service applies to *him*. We dramatize the role of the community. In a recent film on Vannevar Bush's great book, "Modern Arms and Free Men," we transferred his excellent scientific treatise to the community level, bringing it to the day-to-day living of all people. We took a typical community for the setting, to focus on a real group of Americans and thus establish the *identity of interest* between the scientist and the layman.

This concept of selling is to make people realize that their interests are not unique or narrow and that they are similar to those of other Americans. National interest is but a composite of all these interests; it isn't a separate entity. I sell broad interests to Americans who might lose sight of them because I believe in the nation which serves all the people. Many pressure groups do "one-time selling" on a narrow, short-term basis. I like long-term selling to millions.

The stakes are high. Failure of people to recognize that their interests are similar to those of the rest of the citizens results in class warfare, racial and religious bias, and industrial strife.



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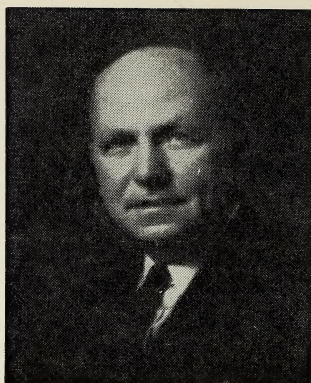
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Blackstone Studios

NORVIN H. RIESER

President of the Rieser Company, Inc. (also known as Venida, Ltd., New York), is a native of Louisville, Kentucky. Although he had won a scholarship, he did not go to college. He preferred to travel instead.

Because he liked travel, his first job was a salesman. He sold the Seal-packerchief handkerchief, helping to put it on the market in 1906 and 1907. Then he established his own small business. He had learned about the human-hair business in Germany, and began to import it to make human-hair nets.

Mr. Rieser coined the name Venida, out of the Latin phrase "Veni, Vidi, Vici," and also originated the famous advertising slogan "Venida Rules The Waves." In peak years he has sold 65,000,000 hair nets, grossed \$4,000,000.

When War I blockaded his source of German hair supply, he went to China, where he established a factory in Chefoo. Venida today remains a top seller. But Mr. Rieser has added to his line. In 1934 it was cleansing tissues; in 1936, bobby pins; and in 1942, shampoo and wave set.

In 1934, Mr. Rieser established a factory in Shamokin, Pa., and began to turn out cleansing tissues, toilet paper, and sanitary napkins. He was elected President of the National Notion Association in 1939.

Today two sons, Norvin H., Jr., and Eugene, are in business with him. When they are not in their office, they are aboard Mr. Rieser's auxiliary schooner "Venida."

45. "We Don't Handle It"

CUSTOM IS A HARD THING to break down although, conversely, customs can make or break you.

I know from sad experience how true this is because all through my business career I have had to meet and fight the changing coiffure customs of our women—God love them. You see one of the many products I make, and probably the best known, is hair nets. I was a cocky young man when I went into the business, I guess. In travels abroad, I had noticed in Germany the new business of human hair. I got the idea of making hair nets out of human hair and, when I came to name my product, with all the cockiness in the world, I put together that old Latin phrase, "Veni, Vidi, Vici," "I came, I saw, I conquered," and made it "Venida." For advertising purposes I originated the slogan "Venida Rules the Waves" and, so long as women had long waves to rule, I had a success on my hands. Pardon me, I still have a success.

It would have been easy to sit down and count the cash rolling in. Life isn't like that, however. What makes each day so interesting is that you never know what tomorrow will bring. I started business in 1906. Eight years later the first guns of a World War began to boom. They blasted my human hair from Germany all the way to China. And I mean that literally. When the German Frauleins got blockaded I took a long jump to Cheefoo, China, where I was still able to get human hair nets with which our women could rule their waves.

Having started my career as a traveling salesman, I continually wanted both to travel and to sell. Nothing frustrates a traveling salesman more than to run up against that solid wall of stale custom best expressed by dogged retailers in the phrase: "We don't handle it."

At about this time hairdressing parlors, notion stores, and department stores' notion counters were the only outlets for hair nets. Druggists had a stubborn pout on their lips a mile long as they stuffily and steadily stated: "We don't handle it."

You could ask "Why not?" until you were blue in the face. They just didn't and so what! I determined to show them.

The Liggett drug chain loomed up as a fine, fancy target. I recall the buyer in New York back in 1915 was a gentleman by the name of H. C. Henry. I made an appointment with Mr. Henry.

Mr. Henry looked at the samples of human hair nets I had in my case and said: "We don't handle it."

"Why not?" I wanted to know.

"Just never have," said Mr. Henry. "You get those things in hairdressing parlors, don't you?"

"Yes," I answered patiently. "And in department stores, too. They make 33⅓ per cent profit on every one they sell, and they sell plenty."

I had figures with me that were really inspiring in those days. We have since increased our margin of profit to retailers, but a guaranteed profit of 33⅓ per cent, with the potential volume I had to offer, and the small space required for the 8 to 16 different shades of hair Venida came in, was not peanuts. And Mr. Henry knew it.

I noted a promising gleam in his eye, but he still whistled that old familiar tune: "We don't handle it."

We sat in silence for a few minutes, while I let him soak up those profit figures, which other merchants near the Liggett stores were putting into their pockets.

"I don't know where we'd put 'em," he said finally and, I thought, a trifle ruefully. It was a good nibble from a big fish.

"Maybe I can figure that one out," I said as I left his office, carefully leaving the data on profits behind me on Mr. Henry's desk.

Just as soon as I could, I went to the cabinetmaker who had helped market Sealpackerchief Handkerchiefs. That had been my first venture in selling a packaged article, and it had certainly taught me a fundamental of business, good packaging and display. We had our Venida Hair Nets neatly packed, but in hairdressing parlors and on notions counters there had been no real need for

display. Under my instruction, my cabinetmaker made me a cabinet.

When I had my next appointment with Mr. Henry, I lugged that cabinet along with me. It was a beauty! While I was waiting, I set it up outside the buyer's office. Secretaries in the anteroom crowded around to watch. It had four sides of plate glass, unusual for those days, let me tell you. One of the girls wanted to know if I was going to put goldfish into it.

"Wait and see," I smiled.

It was fitted with two nickel rods like flagpoles; and that's exactly what they were. From my sample case I pulled the most gorgeous banner you ever saw. It was made of real plush black velvet. The letters were made of glittering gold beads, and what they spelled was:

V E N I D A
The Guaranteed Hair Net
Rules the Waves

On the shelves inside, slotted to carry the different colors and easily accessible, I put my Venida package envelopes.

The secretaries were still crowded around when Mr. Henry came out of his office. They scattered back to their desks, while he circled around my display.

"Not bad," he said. "Come into my office."

At last I had put some sort of dent into the custom that drug stores of those days just didn't handle hair nets. Mr. Henry agreed to try it out in a couple of New York stores.

It seems, however, as is quite often the case, there were a couple of vice-presidents, and president, Louis K. Liggett himself, who had to be considered. Before I could advance beyond those first stores, those vice-presidents and the top kick had to be convinced, too. It called for more sales calls, and another sales maneuver.

The calls were routine. The vice-presidents nodded pleasantly. They agreed the stores selling hair nets were making a profit out of them. But, in their opinion, that was because they were located in neighborhoods with a lot of women workers.

"People don't expect to find hair nets in drug stores," was their conviction. "It just isn't ethical."

I thought differently.

Because Liggett's had put my cabinets in two of their stores, I was able to get one independent druggist to climb down off the throne of custom to rake in some hair-net profits. Hetherington's, then at 42nd Street and Vanderbilt Avenue, took the long leap down and was gratified at seeing profits leap up. Here was a good window for a display, and I went to work on it. I got the best artist I knew to paint me a backdrop showing a most charming lady in negligee sitting before her dressing table mirror in her boudoir. It was a luscious painting. I thought so anyhow because upon her unruly titian hair she was placing a matching Venida hair net. That display stopped traffic and sold hair nets.

As I had hoped, and even expected, it wasn't long before I got a telephone call from Liggett's. They wanted in on that luscious lady. Of course, I insisted it must be another store than the couple which they had grudgingly opened as a result of my first several sales calls.

Now, fortunately or unfortunately, that window display was so well painted that it just couldn't be knocked down and shipped casually from place to place. I had to go in my own car, handle it lovingly and tenderly. That's what I did. I had to do that for some time, in fact, trundling it in my own car from Liggett store to Liggett store, until at last the two vice-presidents and Louis K. Liggett himself were convinced that properly packed, properly displayed, and properly advertised hair nets were a chain-store item.

All this, covered now in such a few paragraphs, actually consumed two years. But at the end of that time we had the whole Liggett chain, then 187 stores. Then the chains and independent drugstores began to fall like palm trees in a Florida hurricane. I signed up United Whalen. I traveled to the Pacific Coast and added the Owl chain; then shot down to Washington and put the Peoples Drug in my bag. In one year Liggett's alone made \$225,000 on Venida.

It sounds easy when you tell it. But don't be misled. There's plenty behind the scenes of selling that never meets the eye. In the first place you've got to have a product that is right, priced right, fair traded, and nationally advertised. That's what I had in Venida. When I entered the market, hair nets were luxury items made of silk and selling at the cheapest for 25 cents each. By using human hair, which in itself was an advantage over silk, I was

able to get the price down to two for 25 cents. Once you have established a fair price, you mustn't let your customers cut their own throats, as they so foolishly often try to do, slashing prices and opening price wars. That's why I staunchly back the Fair Trade laws.

Finally, you must tell people what you've got. I've always been proud of my sales force and how it grew. It started out as one man, and I was that one man. One by one I added men, getting each one firmly established before I put on another. I did a selling job myself on each one as I put them into the field. One by one this force has grown to 55. Every one of them on all my products knows how to answer that old problem of custom. They don't just lie down and die when they are told: "We don't handle it." But, above all, each one of my own salesmen and the salesmen of my customers are continuously backed by national advertising. But, as I understand it, that's another story.

To end this tale, everyone knows today that drug stores sell hair nets. I like to say: Venida hair nets, if they're wise. Although customs change, you can change customs, too. Hair nets are still in business, with 65,000,000 sold in my peak year at a gross of \$4,000,000.



Jean Raeburn

FEN K. DOSCHER

is Vice-President in Charge of Sales, Lily-Tulip Cup Corporation, a Director of Advertising Club of New York, President, Sales Executives Club of New York and a Director, National Sales Executives, Inc. If a poll were made as to the top ten sales managers in the United States, Fen Doscher's name would inevitably be near the top. Perhaps the best monument to his aggressiveness and progressive sales management techniques is the growth of the Lily-Tulip Cup Corp., of which he is Vice-President in Charge of Sales.

Under his sales direction, the company has shown a constant increase in sales volume each year and today is the largest producer of paper cups and containers in the world. He is also executive vice-president of a subsidiary firm, Universal Paper Products Company.

As a teacher and speaker on sales and management subjects, he has few peers. For many years he was a member of the faculty of the School of Marketing of Pace College in New York where he taught marketing, salesmanship, business ethics, English, retail merchandising, and public speaking. He also organized the "post-graduate" sales education program of the Sales Executives Club of New York, of which he is president; he was chairman of a committee of this club, which aided in organizing the famous Salesmanship School of the College of the City of New York. He is a director of National Sales Executives, Inc. and was president of the Sales Managers Club of New York. Mr. Doscher is in great demand as a speaker and has addressed business groups from coast to coast, emphasizing the need for more effective management and training.

In addition to his management, educational, and organization work, he also found time to serve as President of the Singers' Club of New York, President of the Paper Club of New York, and President of the People's Union of the State of Connecticut.

46. The Sales Presentation That Failed!

IT TOOK A BLUNDER on my part, a classic blunder that I've never forgotten, to teach me certain of the fundamental principles of salesmanship.

I was in my twenties; and I was selling booth space for a company that staged industrial expositions. Anyway, I was *supposed* to be selling space.

Actually, I had something very good to sell. The company by which I was employed had demonstrated that, for a concern that offered certain types of product or of service, investment in exposition space would return substantial advantages. In New York and in Chicago, we had staged Own-Your-Home shows: and we had seen, as our exhibitors had seen, how such exhibitions bring seller and buyer together in an atmosphere and under conditions highly conducive to sales.

Historically, American business had "imported" the age-old, European custom of industrial fairs and, in the American way, had improved upon the custom and vastly extended it.

Confident of the worth of its "product," the exposition firm by which I was employed decided to expand the scope of its operations and offer exposition space to industries that, theretofore, had not been approached. Of these, one was the heating industry.

Specifically, we drew a bead on the heating industry's biggest concern, the American Radiator Company. For American Radiator, we drew up a carefully developed presentation. In terms of the radiator company's own interest, we spelled out our exposition's advantages. We pointed out that an American Radiator exhibit would bring together, in a five-day period, more potential "on-the-hoof" buyers than, by ordinary methods of canvassing, American Radiator could reach in months.

We bore down on the fact, and documented our statement with attendance figures from previous shows, that the show would draw homeowners, prospective homeowners, architects, and builders.

We drew the logical conclusion that these prospective buyers and advisers of buyers would come to our show in an inquiring mood, looking for new ideas and new models of products, and that they would be receptive to demonstrations and to the influence of the selling talk of American Radiator representatives. In such an atmosphere, we pointed out, personal contacts with prospects in the buying mood would lead to immediate sales and would produce excellent leads for sales in the future; for many of those who visited the exhibit would register their names and carry home, for careful study, American Radiator literature.

In those days, the buying of space in an industrial exposition was no routine transaction consummated by the sales manager or the manager of sales promotion. In those days, as now, department heads must consider their budgets. Accordingly, our presentation to American Radiator was directed at the company's top management; and, convinced by our presentation that the use of space in our exposition would bring the company substantial benefits, American Radiator's top management signed our contract.

Now we had broken the ice. We had sold the heating industry's leader. And to me was assigned the job of bringing more of the industry in.

I tackled the task with exuberance. What could stop us now? On my own initiative, I phoned for an appointment with the vice-president of the H. B. Smith Boiler Company. Graciously, the vice-president suggested that, if the time were convenient for me, he could see me at ten o'clock on the following Saturday forenoon.

Convenient? Well, I thought, no doubt I could snap up his contract in a half-hour or so and still have a good start on a Saturday afternoon off and maybe a ball game. And so I said: "That's O.K. Ten o'clock Saturday morning will be fine."

At ten on that fateful Saturday morning, I was on hand. The vice-president's secretary showed me in. Smiling, the vice-president rose from his desk. His handclasp was friendly.

Cocky, utterly unmindful of the fact that *he* had given *me* the time and oblivious, too, of the possibility that he would prefer to

be playing golf on that fine forenoon, I went so far as to forget to thank him for letting me in and sailed into my sales talk.

Sales talk? Well, that's what *I* thought. But I talked to him, not about the H. B. Smith Boiler Company, but about American Radiator.

Forgotten entirely was the technique, the "you-approach," by which American Radiator had been sold. Here was I, talking to an American Radiator competitor; and, in substance, this is what I said to him:

"If what we have to offer is good enough for the American Radiator Company, which as you know is the biggest and most progressive concern in the heating industry, then it must be good enough for you.

"As you know, before they go into a proposition of this kind, the American Radiator people investigate very carefully. They look at all the angles. And, confidentially, I can tell you that every major officer of American Radiator did investigate this proposition; and their decision to take space in the show was unanimous. Yes sir, there wasn't one dissenting vote."

Painful as the recollection is, as I recall I went on:

"And furthermore, and this is highly significant, I'm in a position to tell you that the American Radiator people like the idea so well that very likely they'll take space in all our shows from now on, provided, of course, they can get the same position."

At this point, as I remember, I whipped out one of our exposition floor plans and, pointing with a pencil, went on:

"Now here is American Radiator's space. As you can see, it's of imposing size and immediately to the right of the main entrance as you come in. As you can understand, that's one of the best spots in the whole show. But, of course, we have to operate on the plan of first come, first served.

"And now over here on the left, a little farther back, is the space that I have reserved, tentatively, for your company. As you see, I've penciled in your company's name."

Then, I'm fairly certain, I hauled forth a contract and said:

"Upon the basis of what I've told you, I'm sure that you will want to sign up for your space immediately. As I've said, if this investment is good enough for the American Radiator Company, it must be good enough for you."

Here I paused and looked at him. His smile, I noticed, had vanished. Vaguely, now, I recalled that he had been drumming with his finger tips and it seemed that, several times while I had been talking, he had cleared his throat as if to say something. Now he planted both elbows firmly on his desk top and spoke.

He said: "Young man!"

He sounded like a judge.

"Young man," he said, "I've given you a good deal of my time. I have listened to you attentively. I have heard what you have said about the American Radiator Company."

Well, I thought, at least what I have said has sunk in.

"Yes," he went on, "I have heard what you have said about the American Radiator Company. And, when I give you my answer, as I am about to do now, I hope that you'll not misconstrue our attitude toward that fine concern.

"We of this company hold the American Radiator Company in the very highest regard. As you have indicated, it's a progressive concern, soundly managed, and old and well-seasoned. It deserves its success. But——"

And here he pointed a finger at me.

"It just happens that this, too, is a company that is progressive and soundly managed. We, too, are old and well-seasoned. We, too, have grown. And we have grown, not because we have followed the lead of American Radiator or of anyone else. We have grown, not because we have imitated anybody, not because we have waited for somebody else to do our thinking for us, but because we have gone ahead on our own. Without regard for what our competitors have done or have not done, we have blazed our own trail.

"The leadership we have followed has been our own leadership. That policy we shall continue to follow. I thank you for having brought this matter to my attention. But to save time for us both, I can say to you now that my answer to your proposition is, no."

He rose and said: "And now may I be excused? I have another appointment."

As I look back, I can think of no way in which I could have undone the damage I had done. In the light of hindsight, perhaps I could have reminded that vice-president that I was young. I could have admitted that I had been stupid. Perhaps I could have

confided to him that I had called on him on my own. But how would I have answered if he had asked:

"Why doesn't your company keep better track of you? Why is it that your company, if it is a responsible concern, permits its representative to come on as important a mission as this so inadequately prepared to present your company's proposition? Does your company hold us in such low esteem?"

I picked up my hat and brief case. Perhaps I remembered to thank him. Indeed, if I had realized then how much I owed him, I'd have thanked him most sincerely. But, as I walked out and closed his door behind me, I knew that I was closing that door on me and on my company for good.

Wherein did I fail?

The answer would seem to be obvious. But the lesson I learned was so important that the counts of the indictment and the moral seem worth setting forth in some detail.

First, I violated the commandment that a salesman should prepare himself to sell. Of course, he ought to know intimately what it is that he has to offer. Furthermore, he should be prepared, as my firm had been prepared when we approached the American Radiator Company, to present his proposition in terms of the specific prospect's specific interests.

Primarily, the prospect asks: "What will this do for *me*?" "How will I benefit?" Only secondarily, and then only by way of confirming his judgment, is he interested in what the proposition or the product has done for somebody else.

Secondly, from the moment I entered his office, my approach was wrong. Indeed, instead of approaching, from the very instant I opened my mouth, I was going away!

By urging him to follow the lead of a competitor, I had wounded his pride in himself and in his company. To be sure, in the course of my presentation, if presentation it could have been called, I could have assured him that what I was offering was no mere experiment, but rather a time-tested method of sales promotion; and on that score I could have cited the fact that, among our signed-up exhibitors, were a number of outstanding concerns, including American Radiator. Where I erred was in my bland assumption that, because American Radiator had signed one of our

contracts, and for that reason alone, he should feel constrained to do likewise.

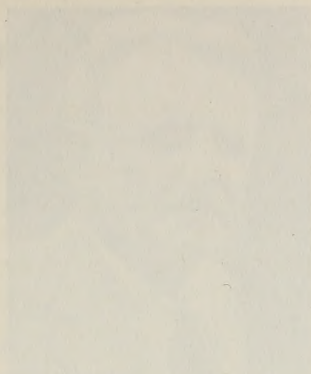
We hear a great deal about the American impulse to "keep up with the Joneses." In some fields of selling, that impulse can be stimulated, safely and soundly, to accelerate the purchase of goods. For example, a woman needs but little urging to arrive at the conclusion that she ought to be as well dressed and as well groomed as her neighbors or the members of her club; and a homeowner will readily admit that one of his desires is to keep his house looking at least as good as the other houses in his block.

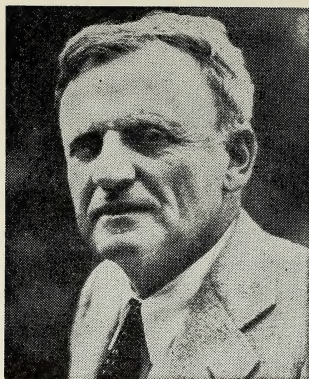
But when a salesman approaches a businessman with a proposition that is purely businesslike, the salesman will do well to remember, as I have remembered, that business interest runs a great deal deeper than mere external appearance.

Pride in a man's job and pride in the company he has helped build, what has been called "pride in craft," is a precious part of every man's being.

And so, on the positive side of the picture, what I learned on that Saturday forenoon years ago can be summed up like this:

1. When you go out to sell, go prepared.
2. Go prepared to sell that prospect, forgetting all others.
3. Sell the prospect in terms of his own interest. Sell not *me*, nor *us*, nor *them*, but *you*.
4. Throughout your time in the prospect's presence, remember that you are talking to a human being. Respect his feelings. Above all, respect his pride.





MERLE THORPE

Vice-President and Director, Cities Service Company, New York, N. Y., is recognized as one of the country's best-known editors and writers on business subjects. As editor and publisher of "Nation's Business," the magazine under his direction grew from nothing to a circulation of more than 431,000. Mr. Thorpe resigned his position with "Nation's Business" to become a member of the board of Cities Service Company, serving in the capacity of Director of Business Development.

Mr. Thorpe is the author of several books and was contributing editor of "Collier's." His work has appeared in the "Saturday Evening Post," "Liberty," and other national publications. He is known also as a speaker, and was one of the earliest radio commentators, having appeared regularly on a national hook-up for four years.

He has been active in several business fields besides publishing. He is a director of the National Metropolitan Bank, the Chesapeake & Potomac Telephone Company, and is a trustee of Northwestern Mutual Life Insurance Company and George Washington University.

The Harvard-Bok award, some years ago, went to Mr. Thorpe for the year's best individual advertisement, which, ironically, was entitled "Let Washington Do It!" He was also cited in both 1938 and 1939 for the best public relations campaign, built around the slogan, "What Helps Business Helps You," and again in 1946 for "Service" Magazine, of which he is editor.

Before becoming editor of "Nation's Business" he taught at the Universities of Washington, California, and Kansas. He is credited with having established the first school of journalism in the United States. He holds degrees from Stanford University, the University of Washington, Park College, the University of Pittsburgh, and the National University Law School.

47. More to Selling Than Appears in Textbooks

THE PUBLISHER asks me for personal anecdotes of selling and explicitly states that he wants no philosophy of salesmanship, moralizing, or pedagogical apparatus whatsoever. That somewhat handicaps my editorial pitch as I have been doing just that all these years.

The advertisement I wrote, "Let Washington Do It!" is a case in point. I didn't really mean for us to let Washington do it, but the satire was so good that my public missed the point. Well, see what jobs we have turned over to Washington since it was written 20 years ago! It should be a lesson to young advertising men; they should exercise great care when writing about national affairs, the outcome of which may plunge a great republic into war or bankruptcy. But, then, that is to moralize.

Here are some incidents and if the reader can find any purpose, living or dead, back of them, it is purely coincidental.

As a freshman at Stanford University I "tried out" for the college paper. My first assignment was to go to San Francisco, thirty miles from Palo Alto, and get an advertisement for the Christmas number from Roos Brothers Clothing Store, Johnson's Restaurant, the Santa Fe, and the Southern Pacific. I was turned down violently by the first three I called upon, and it took me fully an hour to get up courage to solicit the Southern Pacific. The world will never know how close it came in that single hour to losing a Great Advertising Man. Finally, in a burst of desperation, I found myself face to face with Paul Shoup, Vice-President in Charge of Advertising.

I said, "We would like to have you give us an advertisement for our paper."

I was so relieved when he shook his head and replied, "No,"

that I almost ran to the door to get out. He called me back. He got up and opened the railing gate and invited me in.

With a kindly smile, he ventured, "You are new at this business, aren't you?" I nodded my head. "Well," he said, "you sit over in my chair and let me show you how you should have approached me, or, for that matter, any other man to whom you are trying to sell something."

We exchanged places, and he said, "Mr. Thorpe, I think I have an idea that will be good business for the Southern Pacific. There are 1,500 students at Palo Alto who are going home for the holidays. They have only two ways to go, on the Sante Fe or on the Southern Pacific. If you would present the reasons why they should use the Southern Pacific, we will undertake to get that argument in front of every one of those 1,500. Now, the law of chance being what it is, it stands to reason that you ought to get 50, or 100, or even 200, to ride on the Southern Pacific that you would not get otherwise. The cost of our presenting this to the 1,500 students is very small. A full-page advertisement will cost you only \$40."

Still playing the actor, he got up, took his old seat, and said, "Mr. Thorpe, you have sold me. I will take a page in your paper."

I was only a freshman but it was unnecessary for him to say, "Don't start a solicitation by saying, 'I want you to do something for me,' but say, 'Here is why you will benefit if you will do this.'"

I have always tried to follow that precept.

Following this principle once was a source of embarrassment. I had given Mr. Copeland of the Rockville Nurseries a sizable order when I built a new home on Rockville Pike. He said to me one day that he would like to advertise in *Nation's Business*. I felt that he was trying to show his appreciation for the work I had given him and said, "What do you want to advertise?"

He said, "I have some fine Japanese cherry trees for sale."

I took the position that it would be a waste of his money to buy 300,000 national circulation to sell cherry trees, that the cost would be prohibitive, and that he was not equipped to do business on that scale. He persisted to a point where I brought him down to two inches instead of the half-page he had wanted to buy, and had an artist do a good job on a drawing of a cherry tree. I told him that he was wasting his \$85 and that I would not be responsible, and I

did not want him to tell anyone that I had solicited this advertisement.

I had forgotten about it until one day, two or three weeks after the advertisement had appeared, he dropped in to see me and tell me that he had sold a carload of cherry trees to a park in St. Louis. It seems that a subscriber in St. Louis who was on a park commission, and who had the responsibility of planting a new drive, saw the advertisement. He wrote Mr. Copeland to come to St. Louis at their expense and out of that meeting grew the sale of several hundred cherry trees.

That, however, is the only time in 40 years that the lesson of Paul Shoup was in any way brought into question.

The plan to figure out how to help the other fellow got me back to Stanford in my junior year. I worked my way through Stanford, arriving in Palo Alto with only \$6, but, by doing odd jobs in addition to my regular work at 15 cents an hour in the library, I saved enough money to visit the St. Louis Exposition.

One of these odd jobs was in itself a selling job. I copied the names of the taxpayers in the county seat at San Jose, and sold the list to a mail-order house for a penny a name. I then hired several other indigent students at a half penny a name to pick up tax lists in other county seats, while they were at their homes during the holidays. One of these students was Leland Cutler, later President of the Board of Trustees of Stanford University and President of the San Francisco fair. No one has left a greater mark on the life of San Francisco and California than Mr. Cutler.

But to get back to my story. The cost of living was higher in St. Louis than I had budgeted, and I had to go in for deficit financing, or work. A backward nation in that day had not heard of getting money in any other way except by work, so I went to work. I found myself able to earn my fare on a day coach only as far as Canyon City, Colorado. There I took a job playing a cornet in the Canyon City Silver Cornet band at the fair. Sometime ask me about a plains-boy playing "Stars and Stripes Forever" at a 10,000-foot altitude when marching down an unevenly paved street. That horn-tooting job got me to Junction City, Colorado, and there I looked around.

I found there was to be a baseball game in Junction City on Saturday. I went to the local printer, had him lay out a dummy,

mark off spaces, column inch and two-column inch, and carried it around to the merchants, telling them I would distribute a program at the ball game with the names of the players, their positions, and so forth. All they had to do was to write their names in one of these spaces, the inch space costing \$1, and the two-inch space costing \$2. I got \$28 worth of signatures.

I then took the program to the printer. His price for printing was \$3.50. I told him that if he would take over the enterprise, print and distribute the programs, and collect the money, I would sell him the job for \$14 in cash. This he did, and I moved on to Ogden. While waiting for the train at the Ogden station on Sunday morning, I picked up a discarded newspaper. In glancing idly over the sports page, I noted, with a momentary feeling of panic, a short news story to the effect that the Junction City-Salida game had been called off.

During the depression days of the early thirties, advertising dropped almost to the vanishing point. In my case, on *Nation's Business*, we anxiously looked forward to the income that would pay the help on the first. It was a common remark that a publisher in those days would give his right eye for a page advertisement. One customer, the Multigraph Company, stayed with us throughout the depression. Tim Thrift was the advertising manager, and he took the position, which I always thought was a sound one, that if selling would regain its courage, it could start the wheels of business activity and move us out of the depression in short order.

In one issue we had a former Chairman of the National Republican Committee write an article on the high cost of campaigns. He pointed out that whereas national campaigns in the early days could be run for a few thousand dollars, today it took millions of dollars. He listed the expense items. Among them he stated that the public today did not respond to mimeographed letters and that they must be done on electric typewriters, which made them much more expensive.

The inspired make-up man in the Conde Nast press at Greenwich, Conn. put the Tim Thrift mimeograph advertisement opposite the article that depreciated the use of mimeograph.

Tim Thrift caught it. More in sorrow than in anger, he wrote me, calling attention to the matter. He said, in effect, that if you

had to print this story attacking the mimeograph, why did you have to put it opposite my advertisement!

This was tragedy! A hurried meeting of the entire staff was called. What could we do to explain and to appease? No one came up with an idea. I said to them, "Sleep on it. Tell me tomorrow morning."

The next morning suggestions came in. One I remember was to tell Tim that nothing got more attention in print than controversy, and that readers who noted the political chairman's debasement of the mimeograph would read more carefully the Tim Thrift advertisement on the opposite page, and, ergo, instead of criticizing us, the mimeograph people should say we used our head to their advantage.

Of course, I knew that although the argument might be as logical as day and night, it was "hogwash" as far as selling space was concerned. No letter was written that day. Awakening early the next morning, the first item on the mental agenda before getting out of bed, was Tim Thrift and the mimeograph advertisement. An idea struck me! I went to the office and wrote Tim as follows:

Dear Tim:

When Fred Merkle pulled the boner at second base which cost the Giants not only the ball game but also the World Series, he met McGraw on his way to the showers, and said, "Well, Mac, you've got to hand it to me. I pull 'em where they count."

All right, Tim, I have committed the unspeakable crime, the unforgivable sin, and am ready to accept any punishment that you think fits the crime. The crime is so brutal, so lacking in finesse, so much sharper than a serpent's tooth, and all the rest of it, that if you sentence me to the electric chair, or what is worse, stop your advertising, I will only say, "Thank you, Tim. You are a just and honorable judge."

The letter made a sale. Tim wrote back and said, in effect, "I, too, have pulled them in my time, and maybe this is my chance for expiation. We will carry on with our advertising campaign."

George Meyers was the first advertising salesman we had on the staff of *Nation's Business*. I will not say he was one of the best because, for one thing, he had never met Paul Shoup, and another thing is that although he was a Harvard graduate, he could not read. At least he told me he never read the *Nation's Business*. But he did sell space, and lots of it. It always intrigued me to find

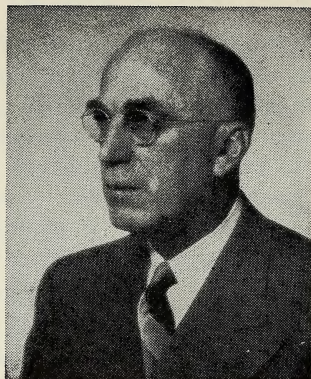
out how he did it because, in my contacts with him, he seemed entirely indifferent to everything connected with the magazine.

On one occasion, George made an appointment with me to meet Arthur DeBebian, then advertising manager of the Equitable Trust Company. I traveled to New York from Washington, and we hurried downtown. When we reached Arthur's office, his secretary sorrowfully told us that he had been called out on an emergency, and she had been unable to get in touch with us as we had already left our office.

I felt pretty bad about it, what with the ride on the midnight Pennsylvania and the disappointing trip downtown, not to mention the terrific letdown in morale, because I had keyed myself up to a real sales talk.

George, however, felt quite good about it. When we got outside, he turned and grabbed my arm, and said, "Isn't this fine? We have put DeBebian under obligation to us. We'll get the business now for sure."

Every working day I learned that there is more to selling than appears in the textbooks.



L. MORTON MORLEY

Vice-President in Charge of Sales, Brown Industrial Division, Minneapolis-Honeywell Regulator Co., Philadelphia, Pa., has spent the last 30 years convincing American industrialists that instrumentation can be a prime factor in increasing factory efficiency and output.

Upon his discharge as a lieutenant from the Army in 1919, Morley was hired as a salesman at Brown's Philadelphia office where his persistent efforts and enthusiasm took his district from last place to the top among sales offices within ten years. In another five years he was General Sales Manager; in 1935 he was elected a Vice-President of the Brown Instrument Company, and three years later was named a Honeywell Vice-President.

A native Pennsylvanian, born in Morton, Pa., a suburb of Philadelphia, Mr. Morley first worked for the Keystone Telephone Company. Then, in 1907, he took the most difficult sales job of his career, selling "tin" shingles throughout the Carolinas, a region where the manufacture of "pine" shingles, which used a native product, was a leading industry. Yet he was successful, and many buildings in the South today are still roofed with the tin shingles he sold.

When he took charge of district sales at Brown, his staff of sales and service men numbered 15; now it is more than 300. He attended the famous Wharton School of Finance in Philadelphia.

Mr. Morley and his family live in Abington, Pa. His major hobby is golf, and typically enough, he still glows at the recollection of the 145-yard hole-in-one he made at White Sulphur Springs, West Virginia, in 1941.

48. The Customer's Always Human

SALES AND SERVICE, a standard American idiom, is blazoned on the faces of hundreds of thousands of garages, radio shops, and appliance stores in this country. Everyone knows that the two words go hand in hand in the purveying of all our push-button aids to a more abundantly mechanized life.

But the sales story I would like to tell is one that links "service" and "sales" as intimately in the realm of industrial applications as they are on the home front, where the washing machine occasionally needs more than feminine intuition and the TV set sometimes yields nothing but snowstorms until "the man from the store" arrives on the scene.

We still hear a lot about the great and typically American "art" of salesmanship. And even in this increasingly technological age salesmanship is still an art; the wizardry of persuasion still plays an important role. But the art nowadays consists not so much in personal charm or super-persuasion as in finding the *Points of Common Interest*. Especially in the industrial field, the art is in discovering situations in which whatever you're trying to sell, whether it is abacuses or Zeppelins, will be of some benefit to or perform some service for your client-to-be.

A good salesman will find more of these *Points of Common Interest*, and consequently will make more sales, than a poor salesman. I believe that all the other qualities of a true salesman are of lesser importance. He can have enthusiasm, stamina, intelligence, personality, sincerity, and all the other attributes of a salesman, and still be a failure if he does not have the knack of finding the *P.C.I.*

I think this sales story illustrates better than any other sale I ever made a technique for finding and sticking to the point. It

also illustrates some of the barriers and pitfalls in the path of the salesman attempting to do this.

The sale was made about five years ago to one of the largest cotton mills in the South. It was of a special importance to our company not because it started a profitable trend or was a sale of tremendous financial implications. It was important to us principally because of the prestige of this company in the cotton textile business.

Toward the end of the war our company began selling electronic control systems to govern typical bleaching processes in cotton mills. Up to that time the process had always been controlled mechanically through a series of thermometers and other devices. At that time our electronic system was radically new. Its heart is the Brown Electronik Potentiometer, an instrument for the measurement or comparison of small, potential differences or electromotive forces. In addition to being new and different, the Brown system was also more expensive initially although more economical to the user in the long run.

Our company and another firm that dealt in mechanical control systems were locked in a last-ditch struggle to sell this tremendous southern organization a system for one of the world's largest bleaching mills then under construction. As I have indicated, the stakes were high and involved more than money alone. If we lost the sale, the other firms to which we already had sold the control equipment would think that we had sold them something better than they really needed. Conversely, if we made the sale, their judgment and our own would be vindicated.

Our district salesman, who was a crackerjack, had done his work well, but our opposition thought the sale of such importance that they had sent down three of their most expert engineering and sales executives to put it over. And they had very nearly done so.

At this juncture I should explain that the mill's engineer who was acting as purchasing agent in the deal had only recently joined the organization. He'd been selected, as a matter of fact, specifically to supervise construction of the bleaching mill and to operate it upon completion. He was an outstanding authority in his field, but at the same time our opposition had played very cleverly upon the fact that he was a new employee. First, they pointed out that their equipment would cost about 30 per cent less than ours and

that the smart thing for him to do would be to play it safe and buy the standard equipment with which he was thoroughly familiar. There was no sense, they told him, in sticking his neck out by buying unfamiliar equipment which, to boot, was more expensive.

They also emphasized the question of servicing. Their equipment, they said, was standard. "Almost any man in your shop can take out a broken thermometer, for example, and put in a new one. Who around here have you got who can fix this newfangled electronic stuff?" they said.

It was a very strong sales talk, and in my opinion the engineer showed a great deal of courage in not signing for run-of-the-mill equipment right then and there. But he hadn't signed up. Nevertheless these opposition salesmen had made a point that stuck, and left him with the feeling that if he did buy our equipment he was sticking his neck out and would be buying a service problem. At this point, I was called in to try to make the sale by convincing him that the proper thing to do would be, in effect, to jeopardize his own job by buying our more advanced, more expensive, and less familiar equipment.

Together with our local salesman and district sales manager I went to the small town where the mill was located. We put up in a local hotel and thrashed the problem over thoroughly with the following fundamentals as guides to our thinking:

Fundamental one: If you don't know precisely what your problem is, you have very little opportunity of solving it when the psychological moment in the sales interview comes.

We drove out through the rolling Carolina countryside to the bleaching mill on the outskirts of town. It was about half completed, surrounded by other mill buildings and the neat homes of the workers.

We entered a large, unfinished room in which about a dozen people were hard at work. Our local district man pointed out our "target." The engineer was sitting at a corner desk bent over his work. He was a huge man, partly bald, with his shirt collar open and sleeves rolled up, and perspiring profusely. He beckoned us over and indicated chairs. He tiredly asked to be excused so that he could finish an important bit of work, and he said he'd be with us in a minute. Obviously he thought he was in for another session of high-pressure salesmanship such as he had just gone through.

So I made use of the moment's pause by taking my coat off, making myself comfortable, and determining that whatever sales talk I made would be even more low-pressure than usual.

Finally he finished his paper work and opened the conversation by saying: "I've just about made up my mind, but I'm willing to listen to what you have to say."

I feel that at this point many salesmen would have launched into a glowing and probably disastrous talk about the virtues of their equipment. Instead, knowing that the new bleaching process was the most important thing in the world to him at this time, I told him that I wasn't an engineer but would appreciate it if he would describe the process to me. He started talking about the process, obviously his pride and joy. Within a few minutes he had become quite enthusiastic and began calling to his secretary for charts and blueprints to illustrate how the new operation would work. The tone of the meeting was mellowing considerably and I knew how I was going to attempt to make the sale.

Fundamental two: If possible, let your customer talk about his problem as in doing so many times he solves your problem for you. Don't be like the physician who diagnoses the case before he sees the patient.

But at this point he raised the question of servicing and the fact that the electronic equipment was too delicate for an ordinary workman to fix. I was able to answer this one because during his talk I had learned the setup of his proposed system and could point out to him several places in which our equipment would actually be much easier to repair than a conventional control installation. So I took a pencil, and while I talked, started to draw him a little diagram.

Fundamental three: In order to sell you must command the attention of your prospective customer. One of the easiest ways to do this is by visual salesmanship.

I drew diagrams showing him that his proposed process, which featured a central control panel, would involve long sealed tubings from the panel to various vats and flow pipes. "With our system," I added, "the fragile tubings will be replaced by wires that will be much less susceptible to damage."

The engineer was impressed. He said, "I am very much sold on

the advantages of electronic equipment, but I'm afraid of the maintenance problem."

At this stage of the proceedings I was careful not to make the fatal error so many salesmen, capable ones, too, often commit. I did not plunge into a technical discussion of the virtues of the Brown Elektronik Potentiometer system. Such a discussion would have been highly involved and difficult to understand by anybody not well versed in the fundamentals of electronics; so it would have had the lamentable effect of distracting the client from the mood of open-mindedness into which I had succeeded in getting him.

What I did was to remember that customers are human, and that although this engineer was convinced about the merits of our system, he kept remembering that he would have to justify his opinion to his superiors. So I gave him the facts that would enable him to do it: In the few years the potentiometer had been on the market, it had been tested, tried, and rebought by some of the largest instrument users in the country, such firms as Standard Oil, du Pont, General Motors, and U.S. Steel.

Because the question of maintenance was really the crux of the problem, I then emphasized the point by saying that one of the largest instrument users in the country maintained complete records on the potentiometer and comparable instruments. "Over a period of years," I told the engineer, "it has been found that the initial extra cost of our instrument is more than offset by the lower maintenance cost.

Fundamental four: Wherever possible let somebody else blow your horn for you. It is much more convincing.

Then I asked him for a little advice. I mentioned once again some of the outstanding qualities of the Brown potentiometer and outlined some of our current problems in setting up a temperature control system for another type of textile process. Because the problem was a technical one right down his alley, he was quite interested. And in the course of advising me on how to set up the equipment, he unconsciously sold himself on the value of the potentiometer in doing the precise work that he wanted done in his own plant, "closing the sale" in our favor.

This, more than any other single thing, clarified in his mind precisely what the potentiometer could do in solving his own problems.

I felt that by now the atmosphere was friendly enough for me to lay my cards on the table and tell him why we were especially interested in this sale. I went over once again some of the reasons why in my judgment the Brown system was the best for his purposes. "It seems to me," I said, "that your new plant is going to be such a step forward in the textile industry that it's certain to be viewed by others as the latest and best in design and equipment. For that reason I feel that your decisions with respect to control systems will be of far-reaching influence." Appealing to his pride in his new installation, I added that we felt our system was "just as advanced in our field" as were many of the design features he was pioneering in his own field.

I told him frankly that, because he was building a pace-setting plant, it was extremely important to us to play a role in it. He was quite sympathetic, and I'm sure that his knowledge of how much the sale meant to us influenced him kindly toward us in making his decision.

Fundamental five: Contrary to what any poor-to-mediocre salesman will tell you, the world is full of pretty nice people. If you admit frankly that you don't have the world by the tail and ask for advice or help from a prospective customer, you not only will get advice and help but often will make a friend and pave the way to a sale.

After his expressions of understanding I felt at last that the psychological moment had come to clinch the sale. He was sold on the performance of the equipment. His objections as to maintenance and the sturdiness of the equipment had been answered. He also seemed convinced of our sincerity and was kindly disposed toward us.

As any salesman knows, this moment is the climax of the sales interview. Of every 50 salesmen who bring a prospect to this point, approximately half of them will fail to nudge the prospect into a decision.

What I saved to clinch the sale was the ability and accessibility of our field service. After all, the engineer was not trying to select a batch of instruments; he was looking for a means of running his plant efficiently and continuously. So reliability of performance was uppermost in his mind, and that reliability was, to him, synonymous with competent and quick service.

By the time the discussion had reached this point our prospect had convinced himself that our electronic equipment was not fragile, but rather more rugged than the standard mechanical equipment he'd had in mind. He was impressed also by the fact that some of the biggest firms in the country were using it.

And then I told him that our branch service department was within an hour's drive of his plant. The type of support we could guarantee him would not require return of the controls to the factory because we could do the necessary maintenance and service right on the spot and a telephone call was all that would be necessary to secure this service. This advantage was something our competition could not offer.

When I finished pinning down these facts about service and reliability, he knew he was able to do what he'd known all along he'd have to do, namely, justify to the president of his company his making an outlay that would cost 30 per cent more than the quoted price of our competitors.

"You've made a deal," he said, and the contract was signed. I am glad to say that in the years since then his judgment has been vindicated over and over again, and that his company has seen fit to purchase Brown instruments for many other purposes.

So this customer was human. They always are. And being human he responded when we found the P.C.I.—especially when the Point of Common Interest was the point that was of chief interest to him, not the one that was of chief interest to the salesman.

Yes, the signs on Main Street read "sales and service." But in my book it's "service—and sales."



J. M. "CHUB" STEDMAN

General Commercial Manager of the Pennsylvania Power & Light Company, Allentown, Pennsylvania, was born in Michigan and educated in Michigan Schools. He entered the University of Michigan in 1916 and at the end of his freshman year enlisted in the United States Marine Corps where he served for two years in World War I.

Returning to Michigan after the war, he paid his way through the last three years to his degree in Business Administration by selling household articles, publication and program space, periodicals, books, and almost anything that offered an opportunity to make a commission.

Leaving Michigan in 1922, he became a member of the Burroughs Adding Machine Company sales staff in Detroit, and in three years became manager of the Agency Contact Division of the Advertising and Sales Promotion Department.

From Burroughs he went to Westinghouse Electric Manufacturing Company at Mansfield, Ohio where he was put in charge of sales and promotion planning of Westinghouse refrigerators, radios, ranges, and other household appliances.

After eight years with Westinghouse, he moved to Pennsylvania Power & Light Company, a large eastern electric light and power company, where he has served in various sales promotion and management capacities and is now General Sales Manager.

The effectiveness of his organization in utility service selling is verified by the fact that this company has received top honors in every commercial competition offered on a national basis in the electric light and power industry in the years 1948 and 1949.

49. Salesman Satisfies Complaint . . . Customer Buys 200 Per Cent More Service

STILLWAGON, Stillwagon, Stillwagon, Smith & Stillwagon was, in the middle twenties, and may still be, one of the largest law firms in a large Midwestern city, occupying three full floors of the biggest office building in the central business section. The staff of attorneys connected with this firm did business throughout the Middlewest and required accurate and quick transportation information to insure prompt appearance in courts throughout the area of several states.

At that time, a young printer in the same city conceived a profit opportunity in the publication of a loose-leaf transportation guide that would provide guaranteed accuracy of arrivals and departures of trains, ships, buses, and planes. He completed arrangements with all transportation companies in and out of the city to give him ten-day advance information of every proposed change in schedule. New sheets incorporating the schedule changes were printed and delivered to the users of the service one week in advance of the change of schedule. One of my early sales jobs was in the employ of this printer as a salesman of the service.

I was doing well, finding it possible, by proper selection of business and professional firms that had a need for such accuracy, to sell 15 to 18 services a week and earn \$50 to \$75 a week, which in that day was not peanuts. Among my clients was Stillwagon, Stillwagon, Stillwagon, Smith & Stillwagon.

But one morning, just as the office opened, the phone rang. Mr. Smith, the office manager of Stillwagon, Stillwagon, Stillwagon, Smith & Stillwagon, was irately on the wire. An attorney had missed the train and, consequently, a court appearance in a city some 200 miles away because the Pere Marquette Railroad had

changed the schedule, moving Train #32 departure time up one-half hour. My employer, the Detroit Railway Guide Company, was threatened with immediate suit for damages because our contract guaranteed accuracy at all times. The guide that had been purchased was, according to Mr. Smith, already in the wastebasket and we had better decide what we were going to do to compensate the firm for its damages or we would bear the court costs also. I had been the salesman, therefore it was up to me to handle the case.

It was really our first genuine complaint. The facts were true; the railroad had changed the schedule and had forgotten to tell the Detroit Railway Guide about it. It was the only train, incidentally, that was changed on the entire schedule at that time, which probably accounted for the error of the railroad in remembering its responsibility.

Believe me, I approached Mr. Smith's office rather timidly. And when announced by his secretary, he didn't wait to ask me into the office; he came out to get me, physically and mentally. I doubt that any salesman ever took such a tongue-lashing for fifteen minutes, but somehow or other it didn't make me mad. When Mr. Smith had run out of breath, I expressed my profound regrets at the error, admitted freely that the error had occurred exactly as he had stated it, gave the explanation of how it occurred, and told him by way of review the number of changes, which were well into the hundreds, that had been correctly reported in accordance with the contract in the year and a half that the service had served his firm. I assured him that this experience, which had caused inconvenience and expense to his firm, had taught us a great lesson in how much one little slip in such a service of guaranteed accuracy could mean. I proved that the Pere Marquette Railroad Company was concerned with the situation by showing him a letter that the railroad had written explaining that a human error had been made and assuring us that it could not happen again because of this experience. I told Mr. Smith that if human beings didn't make a mistake now and then, we wouldn't need courts, judges, attorneys, prosecutors, and such like, to settle the mistakes. Mr. Smith, surprisingly, calmed down and explained to me that there was no real monetary loss to the firm but a serious damage to prestige because of failure of their attorney to appear when court was called.

It was the part of the salesman, then, to thank him for his realization that "to err is human; to forgive, divine." I inquired concerning his estimate of the money value of having had for 18 months at arm's length a constantly accurate reference, saving untold time in making calls to transportation companies to confirm timetable schedules and reporting the information to the interested individual in his firm. In looking over the guide, which had been thrown into the wastebasket (but, peculiarly, the wastebasket had not been emptied), it was apparent that the guide had been constantly used. He agreed that the guide had come to be considered so reliable and been of such constant convenience that his experience in finding one mistake in it had, at the time the event occurred, totally undermined his confidence. I then suggested that his own time as office manager of the firm could greatly be conserved by subscribing to two additional copies of the guide, to be displayed at a proper spot on each of the other two floors occupied by members and employees of the firm who had need for the train information and that such practice would relieve many of the calls that came to him, particularly for local train information. Believe it or not, he signed the contract.

That wasn't the first sale I had ever made nor, by any means, was it the biggest that I had completed in dollars of volume or amount of commission, but it was my first baptism in turning complainants into buyers of more goods and service and cementing good customer relations. From it I learned to deal with complaints on the real facts with complete honesty and belief in the desire of all buyers to be fair. It has paid off.

"Draw Your Indictment Too Sweeping and It Becomes Suspicious"

Among the great salesmen of all time was Elbert Hubbard. A study of his writings has been interesting and beneficial to me in improving sales technique. Hubbard said, "Draw your indictment too sweeping and it becomes suspicious." Let's see how that worked out on a big sale.

In 1931, electric range selling was done principally by the electric service companies of America who found profitable load and revenue return from their use by customers. Specialty selling staffs

employed in the sale of electric refrigeration, cooking, and water heating were employed by most aggressive electric companies, particularly in the Far West and the Southeast. One such company was the Mississippi Power & Light Company, with headquarters at Jackson, Mississippi. This company had sold a good competitive range exclusively for several years, and since I was a Westinghouse range specialist working out of their headquarters at Mansfield, Ohio, my boss one day said, "Chub, you go down to Mississippi and stay there until you break into that business."

I found in Jackson, after canvassing the president, the vice-president, the general sales manager, and some of the field forces, that allegiance to the line that they had handled so many years was practically absolute. My competitor's product was good, their promotional back-up was equal to what I could offer, and their field personnel was even better than ours because the business that they enjoyed had justified it.

After suggesting to everyone who had buying influence the desirability of introducing competition into the area for full sales cooperation, best prices, more interested personnel, and consequently higher electric range sales, it was agreed that Westinghouse ranges would be given a chance in the smallest of their six divisions during a 10-week electric range campaign to be run that spring. My competitors would not be thrown out of the division, but I would be allowed in and, frankly, the attitude was "after ten weeks of it, we'll be rid of you and will have proven that our long-time policy of concentration on one line is correct."

The success of this electric range campaign was so essential that the entire sales organization of the power company was to be brought to Jackson for an all-day sales training and pep-up session ten days before the opening of the campaign. My competitor was given three and a half hours on the program, and I was given 30 minutes.

The day came. I hoped my competitor would fall from the tenets of good salesmanship and damn me and my product all over the place. He did because he was mad. This was the first time any competition had been offered to him at all in ten years, so he spent his full three and a half hours on the platform demonstrating wherein my range fell down and wherein his excelled in every single

point. I was permitted to sit through his presentation, and he was to be permitted to sit through my 30-minute presentation.

At the end of about the second hour of his talk, I was so happy that I could hardly contain myself because it was already evident that he was "drawing his indictment too sweeping and it was becoming suspicious." He concluded his presentation, which was accompanied with a great deal of fanfare and showmanship, with a statement to the effect that with the conclusive proof of the superiority of his, and his only, range that he had demonstrated over the previous three hours, it would grieve both him and the management of the power company to find even a single Westinghouse range sold throughout the campaign. He then announced that his suite would be open for the flow of "corn" throughout the evening and that he anticipated the pleasure of entertaining everyone in attendance at the meeting there.

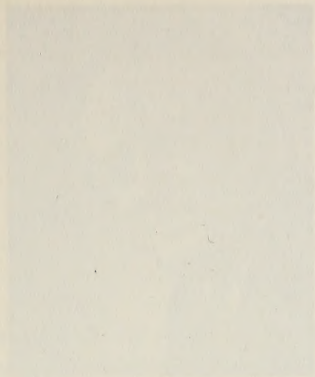
Then I was given the floor. For thirty minutes I gave the best demonstration of the benefits and advantages of electric cooking to the customer that I had ever presented. I knew it was because I was truly challenged. I demonstrated the accuracy, cleanliness, coolness, convenience, economy, safety, and dependability of electric cooking without a single mention of the name of either his range or mine. I agreed that all well-manufactured electric ranges brought these benefits and advantages to buyers' homes. I held that the full demonstration and explanation of these benefits and advantages to more customers during the period of the ten-week campaign would be the creative specialty selling story that would meet the high-quota objective, which the management of the company had established because of its faith in the sales organization.

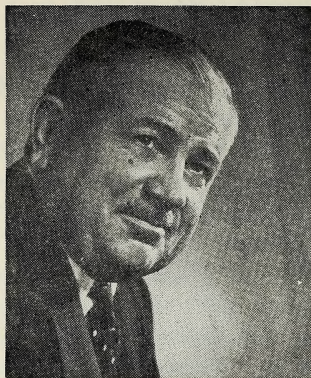
I held that if the sales organization had been sufficiently inspired by the challenge presented to them by their management through their fine bonuses for superior accomplishment and if the salesmen were ready and determined to make the necessarily increased number of calls in which these benefits were demonstrated step by step, they would establish a new all-time record for electric-range selling in America in any ten-week period. I admitted pleasure in being associated in the campaign. The only mention of the name of the range I presented, or the company that made it was in my introduction by the chairman and his sincerely gracious statement of appreciation at the close of my talk.

I called for two well-trained retail salesmen from our factory who worked with the range salesmen in the division to which we had been assigned throughout the ten-week campaign. I spent nearly three of the ten weeks there myself cheering at the reports of competitive ranges and Westinghouse ranges and even louder when the totals were reported at the sales meeting.

The results were that Westinghouse took 60 per cent of the business in the division in that campaign. We were on an equal footing with our competitor in the next and still bigger campaign later in the year over the whole system, and for the five succeeding years of my association with Westinghouse we never secured less than 50 per cent of the business week in, week out, and during campaign periods.

I'll always thank Elbert Hubbard for writing "Draw your indictment too sweeping and it becomes suspicious."





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FRANK M. FOLSOM

President of the Radio Corporation of America, New York, joined RCA as a Director and Vice-President in Charge of the RCA Victor Division on January 1, 1944, and he was elected Executive Vice-President in Charge of the RCA Victor Division on June 1, 1945.

Prior to his association with RCA, Mr. Folsom had been active for 30 years in merchandising and had served for nearly two years as Chief of the Procurement Branch of the United States Navy Department. For outstanding service with the Navy, he was awarded the Medal for Merit by President Truman and received the Distinguished Civilian Service Award, the Navy's highest civilian honor.

Mr. Folsom was born on May 14, 1894, in Sprague, Washington. He attended schools in Washington and Oregon and received honorary LL.D. degrees from the University of San Francisco, St. Joseph's College, Philadelphia, and Fordham University and Manhattan College, in New York City.

Mr. Folsom began his business career with Lipman Wolfe Department Store, of Portland, Oregon, in 1910. Three years later, he became an apprentice buyer at Hale Brothers in San Francisco and in 1914 joined the firm of Weinstock & Lubin in Sacramento. In 1917, he entered the Air Service, United States Army.

At the end of World War I Mr. Folsom resumed his position as buyer with Weinstock & Lubin and continued there until 1923. He rejoined Hale Brothers and in 1928 became a Director and General Manager.

Four years later, Mr. Folsom joined Montgomery Ward & Company, and in 1933 he was elected Vice-President in Charge of Merchandising and a director of Montgomery Ward. He resigned in 1940 to become Executive Vice-President of Goldblatt Brothers, Inc. of Chicago.

Mr. Folsom is Chairman of the Board of the National Security Industrial Association and Chairman and Director of Brand Names Foundation, Inc. He is also a director of the National Association of Manufacturers.

50. Selling Television

OF ALL the postwar products, television has probably created the greatest interest among the American people. It certainly has had the most spectacular rise.

In 1950, the industry produced and sold approximately 6,000,000 video receivers, bringing the total number of television sets in use by 1951 to approximately 10,000,000 and the potential audience for this form of communication to about 40,000,000 people.

In terms of money value of the goods sold, television achieved the status of a billion-dollar-a-year industry in the fall of 1949. No other industry in the history of American enterprise had ever moved ahead so far in so short a time. By 1950, even the wholesale value of all television sets exceeded a billion dollars. By way of comparison, the automobile industry, operating in its much higher price bracket, required more than ten years to achieve a similar status.

The intensive, competitive development of television has been similar to that of radio of a quarter-century ago. Before this competition could get under way following World War II, however, it was necessary for the industry to gain experience and solve production problems far more complicated than those previously encountered. How this experience, normally requiring years, was "telescoped" for the industry, how manufacturers and potential manufacturers were presented with blueprints of design, construction, assembly-line layout, testing, and even tools for manufacturing components is a unique story still discussed with a tone of disbelief in trade circles.

Television and the fact that it could be mass-produced were "sold" to the industry by breaking the unwritten law of trade secrets. For the first time, a corporation with a tremendous lead

not only in research and technical knowledge but in actual production experience opened its doors and showed everything to its competitors and potential competitors.

That is how the television industry brought itself up-to-date and how the field was enabled to cross the starting line virtually even. That is how television was "sold" to the trade, and how many a manufacturer now in the thick of the competitive fight got his real start. Otherwise, many well-known names in television would be unheard of today.

RCA was one of the earliest pioneers in television. Dr. V. K. Zworykin, one of its top scientists, patented the iconoscope (camera) tube back in 1923 and developed the kinescope (picture tube) in 1929; both were basic to the all-electronic television now universally used. In 1931, RCA selected the Empire State Building as the site of its television transmitting antenna, and began field tests for its all-electronic receivers. Television was introduced as a public service coincidentally with the RCA Exhibit at the New York World's Fair in 1939.

The war interrupted the nourishment and growth of this prophetic infant industry. In November 1946, with the war over, we resumed the manufacture of home receivers. Both seven-inch and ten-inch instruments were produced. Model 630TS, a ten-inch table set listing for \$375, quickly established itself as a public favorite. By the following summer, the sales of this receiver had far exceeded those of any other set of any manufacture on the market. Our set was readily and universally accepted as the standard of the industry.

According to all normal standards, RCA had a big jump on its competitors. But RCA has operated from the beginning under a licensing system whereby a licensee is entitled to any of our developments in his field. In this sense, therefore, we have no trade secrets. On the other hand, RCA Victor as a manufacturer is not actually obliged to design sets for RCA licensees, who are direct competitors of RCA Victor. We are not obliged to blueprint the assembly lines for them or divulge the know-how that acts in a hundred ways to the advantage of the manufacturer who has it and that another manufacturer can normally learn only through the hard school of experience.

Radio Corporation of America maintains an Industry Service Laboratory whose specific function is to service and assist RCA licensees in any feasible manner, including suggested circuit diagrams utilizing RCA patents. RCA Victor has access to the Service Laboratory on exactly the same basis as any other licensee. "Trade secrets" of any licensee are zealously guarded against revelation to any other licensee, whether associated with RCA or not.

As television passed through its baptism of fire, however, and we saw that it was highly acceptable to the public, we became increasingly aware of one fact, television was bigger than any one company. It was a development of potentially enormous proportions. If it was to live up to its promise, it must be launched on a broad scale to assure the rapid and orderly distribution of receivers, the construction of transmitting stations, and the development of programming. A few competitors, but only a few, were producing television receivers. Many with established names in radio lacked practical television experience. Some were merely in the debating stage of whether they should enter television at all.

At this point, an important decision was made. We invited our licensees, those in television and those whose radio experience made them potential makers of television equipment, to a two-day "clinic" at our Camden, New Jersey plant on August 27 and 28, 1947. It was a kind of open house in which we laid our experience on the table and invited all to pick it apart. Thirty-seven companies sent 113 representatives: engineers, executives, factory experts.

Under a seven-point program, here's what we offered to each company present:

1. A sample of Model 630TS
2. A complete engineering description of the set
3. A basic bill of materials for the set
4. Engineering drawings
5. Permission to buy parts of RCA Victor's own manufacture
6. Authorization to use RCA Victor tools in the vendor's plants in order that the licensees might purchase the same parts that RCA Victor purchased
7. Engineering service to assure a full understanding of our specifications and drawings.

Information was supplemented with a complete tour of the Camden plant. The operation of our production line was explained and demonstrated in detail. Our visitors saw the incoming raw materials and followed them through to the finished product. Very important, they were schooled in the test operations vital to the production of television receivers that in actual use will win and continue to hold the satisfaction of the consumer. They were shown the half-million-dollar test bank assembled for this purpose in Camden, at that time the only one of its kind in existence.

Information . . . demonstration . . . comment! Not only were our competitors given the information in print and shown theory put to actual practice, but also, for their benefit, the various operations were clearly summarized in a meeting at which leading RCA Victor experts spoke. Manufacturing, engineering, the status of television broadcasting, RCA Victor's experience in the installation and maintenance of receivers, all were covered. At the conclusion, our guests were provided with a kit of material including these talks as well as technical data.

The second day of the clinic was spent at the RCA Victor plant at Lancaster, Pa., where kinescopes and other television tubes are manufactured in large quantities. The licensees were given specific detailed information on our kinescope tube developments. They saw our extended facilities and the stockpile of kinescopes we had accumulated for industry use, and were impressed with this tangible evidence of RCA's tremendous faith in television's future. Significantly enough, it was not long afterward that this substantial stockpile of kinescopes disappeared and the great industry need was for kinescopes, and more kinescopes, to keep up with the demand for TV receivers.

In short, the result of that clinic in August 1947 was that the American television industry really began to move forward on a full-fledged scale. It might be of interest to note that some manufacturers produced what were in effect Chinese copies of 630TS and enjoyed a most successful business.

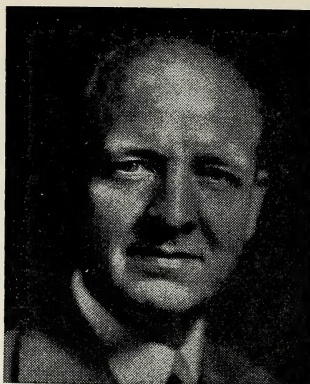
Licensees later told me personally that the revelation of our "secrets" in 1947 saved them at least a year. Some went so far as to state their belief, in December 1948, that the industry was then two years ahead of the development it might otherwise have expected.

Several said they probably would never have gone into television at all if they hadn't been so thoroughly *sold* at that unusual postwar meeting.

What I have since told those competitor friends is that I have always tried to keep faith with the American philosophy of free enterprise. In 1951, as in 1947, I have confidence in the force of competition, as well as products. In the long run, that is the only way to serve the interests of the general public and to stay in business at a profit.

RCA, a prospector that discovered the rich vein of television, could have staked out a claim in the public mind by delivering a large portion of the gold by itself. But television is a big industry. It needed a big push. I think RCA helped to give it that push by revealing our production blueprints.

We have never feared competition. The condition of our industry is the proof; it is one of the most competitive, and one of the most advanced, in American free enterprise. Normal competition is prized above all other business principles by most of us, and today we have it in full measure.



PETER GRIMM

is Chairman of the Board, Wm. A. White & Sons, New York, N. Y. After graduation from Columbia in 1911 Mr. Grimm went in the real-estate business in October of that year with Stephen H. Tyng, Jr. & Company, 31 Union Square. He remained in Mr. Tyng's employ (interrupted by service in the U.S. Army in 1917, 1918 and 1919) until 1920 when he went in business for himself. He was in business for himself until 1929 when he became President of Wm. A. White & Sons.

In 1925 and 1926 he was President of the Building Owners and Managers Association, and he was President of the Real Estate Board of New York from 1928 to 1931. He served as Special Assistant to the Secretary of the Treasury in 1935 and 1936, and also as Assistant Director of the National Emergency Council. He has always been especially interested in taxes and public finance, and served as Chairman of the Taxation Committee in the administrations of Mayors Walker, O'Brien, and LaGuardia. He also served as a member of Mayor O'Dwyer's committee on Management Survey, which is now engaged in reorganizing the administration of city government. From 1946 to 1948 he was President of the Chamber of Commerce of the State of New York. He was one of the founders and is Vice-President of the Citizens Budget Commission.

He is a Director of the following: Society of Phipps Houses, Century Federal Savings and Loan Association, New York Casualty Company, Surety Fire Insurance Company, City and Suburban Homes Company, Union Labor Life Insurance Company, and Dorothy Draper, Inc.

51. Everything to Gain and Nothing To Lose

THIS IS A STORY of the sale of a piece of property. The property was needed in the assemblage of the site of what is now Rockefeller Center. My experience in the negotiations preparing for the purchase of this property was one of the most interesting and dramatic I have ever had.

Rockefeller Center is built partly on land owned by Mr. John D. Rockefeller, Jr. and partly on land leased to him by Columbia University. The latter comprises the larger portion, perhaps as much as two-thirds of the entire site. After the original lease with Columbia University had been accomplished, perhaps a year later, it became essential to acquire the Sixth Avenue frontage of the three blocks from 48th to 51st Streets. It was in connection with acquiring these properties that I had the following experience.

The job of buying these properties was exceedingly difficult. Thirty-five properties were involved, which meant I had to deal with at least 35 different individuals (the number would be more nearly 50). All these persons were aware that something important was impending in the neighborhood. It is difficult enough to assemble property in the heart of New York City, but this particular job was rendered almost impossible because of the very names involved in the project. Mr. Rockefeller owned the adjoining properties; the entire blocks were needed for a group of high buildings, the largest of which was to be occupied by the Radio Corporation of America, the National Broadcasting Company, and Radio-Keith-Orpheum Company. One may understand, with such names involved, that the stories that flew from mouth to mouth were more fantastic even than the fantastic truth. Obviously, in approaching owners, I was most careful not to reveal the

identity of my principals and not give any weight or credibility to the rumors.

I made my way along the avenue and the streets buying properties here and there, and having more or less a hard time in each case. One man gave me a most difficult time. It was not that this man wished to be difficult but rather because he simply would not talk to me. An owner can make it difficult for a real-estate broker in many ways when he doesn't wish to sell, but there's always a chance for the broker if only the owner will talk.

This man simply would not talk. That's what made it so difficult for me. Although I visited him often, I do not believe that he ever spoke more than two or three times, and then all he said was, "I don't want to talk to you." Any salesman will tell you that's a situation hard to beat.

The situation went on in this highly unsatisfactory state until I had completed the purchase of all the other properties needed to round out the three blocks. Meanwhile, I was being beset by headquarters with the ever-recurring question, "Where's the contract for the —— property?" I did not want to confess that I had not even started negotiations. That would have been a confession of failure that a broker simply doesn't make. He always feels that he is going to "bring home the bacon" somehow. When I had reached the point of getting all the other properties and still had arrived nowhere with this last corner, I sat down to think over how I might break the owner down. I finally decided that I would go to him and tell him the whole story in all its fantastic details including the precise plans for Rockefeller Center. I knew that was dangerous, but I considered that I had everything to gain and nothing to lose. My position at that time was quite hopeless and nothing he could do could render it more so.

One cold morning I walked into the man's office, unannounced you may be sure. Any attempt to make an appointment with him would have been fruitless. I knew only too well that he would have resisted any attempt on my part to come in to see him. He occupied an office on his property, a remodeled building. It was a small and bare room on the second floor and could be reached only by going through a shirt-mending shop. The room was furnished with a desk and chair, an extra chair for a visitor, and a clothes tree. As I came into the office, I took off my coat and,

while hanging it on the clothes tree, said, "Good morning, sir, I've come to tell you a story."

He replied, "I don't want to hear any stories." "But," I said, "this is the most wonderful story you've ever heard." He replied, "I don't want to hear any stories." By this time I was seated. I said to him, "I've come to tell you about the plans that Mr. John D. Rockefeller has for the improvement of this entire block and he wants you to be a partner in this enterprise." That captured his attention. With great surprise, he asked, "Mr. Rockefeller wants *me* to be his partner?" I saw that I had him interested for the first time.

Rapidly I told him the story of Rockefeller Center and of the first great lease that had recently been consummated with the Radio Corporation and its affiliates. As I saw his interest grow, I piled detail upon detail and told him every bit I knew about our plans and brought in every important name that was connected with it, Mr. Rockefeller, Mr. Owen D. Young, Mr. David Sarnoff, and so forth. I remember ending my recital by saying, "This is the plan. This is why Mr. Rockefeller wants you as a partner for we cannot build the Radio-Keith-Orpheum Building on this block unless we have your property."

The man looked at me, completely stunned. "Do you mean to say that Mr. Rockefeller wants me as a partner?" I replied, "Yes, that is what it amounts to. Mr. Rockefeller has done many things in the interest of this community and here's an opportunity for you in partnership with him to do something. You made your fortune in New York City and you owe an obligation to the city. This is an excellent opportunity to discharge that obligation." As I was speaking, he was shaking his head and he finally said, "I never expected to be a partner of Mr. Rockefeller. If that's why you want the property, I will let Mr. Rockefeller have it."

The whole matter had gone along so swimmingly that, after the long period of bitter frustration, I could not quite believe my ears. I was afraid that he might think that, because our plans were so great, he could demand any price for his property. Therefore, I said, "I would like you to understand that I represent a man in the purchase of this property who is willing to pay 100 per cent, perhaps even 105 per cent, of what a property is worth. If, however, that man thought he was being taken advantage of, he would not buy the property at all." "Oh, no," he hastened to say, "I

would not take advantage of Mr. Rockefeller. I think he is a great man, the finest citizen of our city, and I am bringing my two boys up to be like Mr. Rockefeller in all ways."

"Well, then," said I, "what is the price at which you will sell?" "Oh," he said, "I want to be fair, Mr. Grimm, what do you think the property is worth?"

In working on a job such as I had in assembling this great area, I had appraised the value of each piece of property as a guide in my negotiations with the various owners. I, thereupon, in full candor, gave him that price. "I think that the fair value of your property is \$925,000; perhaps \$950,000." He, thereupon, in what was apparent honesty, said, "I am a little disappointed, Mr. Grimm. I thought it was worth a million dollars."

As I have already recounted, I had by this time completed purchase of all the other properties, and I had bought them in well under the values that had been discussed at headquarters. I had been so much worried by these last negotiations that I am sure my associates in this matter would readily have approved paying more for the property than it was worth in order to clean up the situation. Therefore, I promptly said, "Will you take \$1,000,000 for your property?" "Yes, Mr. Grimm," he replied. I thereupon offered my hand and said, "You've sold your property for \$1,000,000."

One would suppose that this finishes the story. I thought so myself, and, with the greatest imaginable relief, turned my time and my attention to other matters. But soon a great blow fell. I stopped in on the man one morning to tell him that the contract of sale was ready for signature and that the papers were to be signed at the offices of Mr. Rockefeller's attorneys. He at once and with eagerness said, "Will Mr. Rockefeller be there?" My heart fell, as I observed with what importance he looked forward to a meeting with his partner, Mr. Rockefeller.

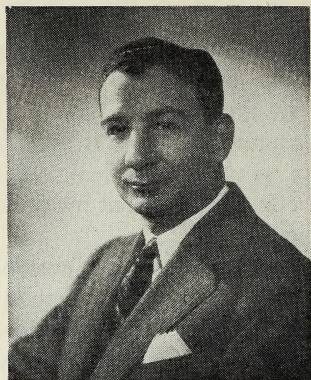
I explained hurriedly and weakly, I am afraid, that Mr. Rockefeller had interests all over the world. Shortly before the time of which I am speaking, Mr. Rockefeller had given three million dollars to the Pekin Medical College and just before that he gave several million dollars for the restoration of Louvain, Belgium, and also for the Cathedral of Rheims in France. I pointed out that Mr. Rockefeller could not evidently be present in all the places that his interests touched.

I thought that I was rather convincing in my talk, for what I said was the plain truth. But it had no effect on the man whatsoever. As I talked, he grew sterner, and his face grew hard and cold. When he spoke again, he made it plain to me that, unless he saw his partner, there would be no deal. Nothing that I said to him had the slightest effect and I went away knowing that I had a difficult situation to face.

I went back again and again in the ensuing days always with fresh argument. And always with complete lack of success. One argument and only one seemed to land and only slowly and in a strange, cumulative way did it have effect. It was that a man owed a duty as a good citizen to the community in which he lived, worked and prospered. In that respect Mr. Rockefeller set a most excellent example, and quite clearly he revered Mr. Rockefeller. He knew of Mr. Rockefeller's activities as a good citizen and of his many benefactions. When first he opened up and talked he had mentioned that he was bringing up his boys to be like Mr. Rockefeller. It was that picture, built up slowly and laboriously from the concept he already had of Mr. Rockefeller as a good citizen, that had much to do in bringing about a change of heart.

One morning as I was talking to him along lines which, by that time, were utterly familiar and threadbare, he said to me without preamble, "Mr. Grimm, would Mr. Rockefeller make a lease?" I asked him what he had in mind. He replied, "Mr. Grimm, a million dollars is so much money, I don't know what to do with it. Perhaps Mr. Rockefeller would lease the property at \$60,000 a year net. I would give him a lease for a great many years." I at once saw the opportunity this presented and, since a lease was almost as satisfactory a form of possession, I feverishly worked on that idea.

It is strange to relate that, although a lease was agreed upon and drawn up, he after all finally sold us the property. There were too many difficulties about a lease; so finally he brought himself to the point of selling the property. But, as is so often the case in the life of a broker, I could not be sure the deal was really closed until the property had actually been conveyed. I strongly suspect that the influence of his "partner" had a great deal to do in bringing about the final result. But a great deal of selling had to be done right up to the very last moment.



GORDON A. STOFFER

Vice-President and General Manager, Stouffer Corporation, Cleveland, Ohio, is a native of the city where he works. After finishing school in 1924, he entered the restaurant industry in Cleveland with his father and brother where he was active until he entered the Army Air Forces in April 1942.

While in the Army Air Forces, he served as Chief of the Food Services for: first, the Gulf Coast Training Command with headquarters at Randolph Field, Texas; second, the Sixth Air Force in Panama; and third, the AAF Personnel Distribution Command with headquarters in Louisville, Kentucky.

Upon his discharge from the Army Air Force in the fall of 1945, he returned to his own organization in time to assist in the planning and execution of further expansion by the opening of new Stouffer stores in Minneapolis; Shaker Square in Cleveland; and two in Chicago, one on Wabash Avenue and one on Madison Street. These additions brought to 17 the number of units in the Stouffer chain.

52. Selling Stouffer's to New Yorkers

IN REVIEWING my experiences of selling Stouffer's through the years, I think the biggest and the one that in later years assisted materially in establishing our reputation as a sound, growing restaurant chain was our entrance into New York City.

I had made many trips to New York observing restaurant operations and, in so doing, became convinced in my own mind, that Stouffer's atmosphere, food, and service were equal to or better than anything competitive in New York. With our limited menu, and resultant good operations, I felt confident we would be able to enter this area successfully.

It was late in the year 1936 that I finally convinced the family that we should have a store in New York. At that time we were operating, as a family consisting of my mother, father, brother and myself, seven stores in four cities. The project seemed very frightening as there were many, many restaurants in New York and the mortality rate was exceedingly high.

With the determination of youth, however, my brother and I spent many hours and days tramping the sidewalks, looking for the proper location and studying the eating habits of the New Yorkers. We covered every single type of restaurant operation in New York, including such places as the 21 Club, the hotel dining rooms, coffee shops, the automats, and the hamburger joints. Of course, it goes without saying that we were keeping our eyes and ears open for ideas to place in effect in our own operations.

We finally settled on a location on Fifth Avenue between 45th and 46th Streets. This property was owned by Cullman Brothers, Inc. Mr. Joseph Cullman, Sr. who was living at that time, passed this particular property along as a gift to his sons on his seventy-fifth birthday.

The Cullman with whom we dealt was Howard who, at that

time, was the Trustee in Bankruptcy for the Roxy Theater. He is presently connected not only with the fabulous Cullman Brothers, Inc. but has been for many years a Broadway "Angel." Another of his many activities has been that of Chairman of the Board of the Port of New York Authority.

I recall very vividly our first meeting. My brother and I, who, up to that time, had never had the opportunity to meet many "big shots" in the big city, put on our best bib and tucker. We entered the private elevator at the Roxy Theater which took us to Mr. Cullman's office floor. After a few words with the secretary, we were ushered into one of the largest offices I had ever beheld. It was built by Mr. ———, who built the Roxy, for his own use. It was truly a magnificent sight, heavily carpeted with Orientals, paneled from floor to ceiling with a rich, dark wood, and beautiful oil paintings hung throughout. Along one wall was a huge fireplace and numerous sofas and overstuffed chairs were grouped about the room.

Howard was sitting far off in a corner behind a huge desk. It appeared to me as though we would have to break into a 100-yard dash to shake his hand, but in his typical manner, he rose from the desk, and with his quick step, greeted us midway. He promptly apologized for the grandeur of his office and made us feel at ease immediately.

Inasmuch as he was not acquainted with our restaurants, my brother and I started from the very beginning of our company's history, explaining in detail practically each and every move of our progress. We had brought along pictures of our existing stores as well as menus. Knowing that he had originated the policy of selling theater tickets at a cheaper price between the hours of 11 A.M. and 1 P.M. for the Roxy, we based our appeal to him on our "good Ohio cooking" and moderate price range.

Our father had established firmly in the minds of my brother and me that all the restaurants should be individual companies in order not to incur the liability of one upon another. We realized from past experience that this would be our biggest hurdle and it took a great amount of selling on the stability of our type of operation. After several meetings, with not too many hours involved, we convinced the Cullmans that we were just the tenants for that

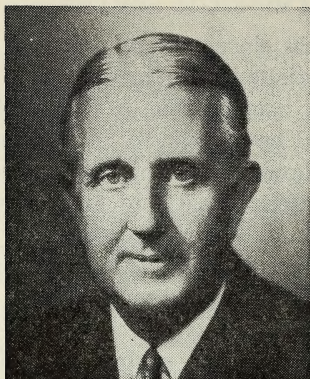
location. Howard has since told us that our sincere midwestern attitude assisted materially in convincing them.

We then made the bold decision to do something in the way of renovation that would be unusual to Fifth Avenue as well as other restaurants. We adopted a Colonial style exterior with a corresponding homelike interior that had been very successful in our hometown of Cleveland. This style was far removed from the usual brownstone or marble front of that era, but it appealed to the Cullmans and they readily agreed to our plans.

During the construction period, many old-time New Yorkers questioned whether or not the sophisticates of New York would "take" to our style of atmosphere, food, and service. During this time, we consulted frequently with Howard Cullman concerning the plans, etc. and it was his encouragement that gave us the confidence we sought.

This store was completed in December 1937 and at 11 A.M., the morning of the opening, the Bon Ami was removed from the front windows and the doors opened to the public. Within a half hour, every table was taken. At 12 o'clock, it was necessary for the police to disperse the crowd gathered on the sidewalk trying to get a glimpse of the interior through the front windows.

Although it was saddened to a great extent by the absence of our father who had passed away during the initial planning of our invasion of New York, on that eventful day the Stouffers and the Cullmans had a toast, "Here's to 'Stouffer's' success in New York."



JOHN LYON COLLYER

Chairman of the Board and President of the B. F. Goodrich Company, Akron, Ohio, was born on September 18, 1893 at Chelsea-on-Hudson, N.Y. He attended public grammar and high school in Brooklyn, and the Cascadilla School in Ithaca, N.Y. He graduated from Cornell in 1917 as president of his class.

Following his graduation Mr. Collyer went to work for Bethlehem Shipbuilding Company where he rapidly worked himself up from a \$6 a week laborer to superintendent in charge of hull construction.

His first association with the rubber industry was in 1923, when he joined Dunlop Tire & Rubber Company of Buffalo as Vice-President. He was only 29 at the time.

In 1929 Mr. Collyer was chosen by the parent company, Britain's International Dunlop Company, to go to England as works director, and within two years he had become director of the company's manufacturing operations in 12 countries. In 1936 he was elected a director of Dunlop, and in 1937 he became Joint Managing Director, a title corresponding to our "President."

Mr. Collyer was invited to accept the presidency of the B. F. Goodrich Company in 1939. He immediately started working for the establishment of a national synthetic rubber program as insurance against possible war in the Far East.

In 1944 Mr. Collyer became an industry adviser to the State Department on world rubber problems, and in 1945 he was named Special Director of Rubber Programs of the War Production Board.

In December, 1946, Mr. Collyer was awarded the Medal for Merit, the nation's highest civilian honor. In 1947 he was also chosen by the government to be chairman of the Business Advisory Council of the Department of Commerce, a board composed of 60 of the nation's top industrial leaders.

In December, 1949, he was made a Chevalier of the French Legion of Honor "for the services he rendered to the allied cause during the war, and to French industry in its reconstruction period."

53. A Tire That Insured 130 Million Americans

ALTHOUGH I HAVE BEEN in the rubber industry for almost all my working life, the greatest sale my B. F. Goodrich teammates and I ever made was actually an insurance policy.

It was the sale, in a New York hotel dining room, of several thousand synthetic rubber tires. But it really represented the first premium on what later was a paid-up national insurance policy for 130 million Americans, insurance against being caught helplessly short of rubber.

It was on June 5, 1940 that this sale was made. We were selling a point of view, of which those tires were a symbol. That viewpoint had its origin years before in the 1930's when as joint managing director of Dunlop Rubber, Ltd., I first became concerned about the threats of war in Europe and the Far East.

As I traveled thousands of miles in Europe and Asia, I saw at first hand the stupendous preparations Germany and Japan were making. Businessmen have to be sensitive to political trends, certainly to military trends, and slowly, reluctantly I became convinced that a world conflict was imminent. I was equally sure that such a conflict would jeopardize the rubber supply of all non-Axis nations.

I made the strongest recommendations to my associates that intensive research be started to solve the problem of creating rubber in a test tube. But the British had—along with most of the rest of the world—depended upon the Far East for their crude rubber for over a quarter-century, and they could not be persuaded of any foreseeable need for man-made rubber.

When I became president of the B. F. Goodrich Company in the fall of 1939, one of the first things I did was to study its research progress in the field of synthetic rubbers. I was amazed and

delighted at the technological progress BFG scientists had made. The company already had a plant that was producing man-made rubbers used in certain commercial operations, special-purpose rubber for such articles as hose for gasoline and oil and connections and parts used in motor vehicles and machines where exposure to oil and grease was encountered. The remarkable oil-resisting qualities of these rubbers had justified their use at the time even though they cost several times as much as crude rubber.

Immediately we decided that B. F. Goodrich should widen its scope of research in synthetic rubbers. I urged intensifying development work on synthetic rubbers for general-purpose use, such as tires and other volume rubber products. Within several months our laboratories came up with such a rubber, and we processed it successfully into automobile tires.

In the normal course of events, it probably would have been a year or more before we would have introduced this new material. But, mindful of the responsibility the national defense program had placed on all industry, we decided to plunge ahead and introduce this general-purpose rubber on June 5, 1940 in the form in which it would be most needed: tires.

We undertook to sell those tires, the first ones made with man-made rubber ever marketed in this country. Furthermore, we knew that to gain maximum effect we should sell them to astute American business concerns that probably had never thought of buying tires made of anything but natural or crude rubber. It was a timely meeting that summer day because our peacetime was really running out. It was just 18 months before Pearl Harbor.

Our first step in introducing the "all-American Ameripol" tires was to invite appropriate government officials and leaders in science, industry, and the press to be our guests at the Waldorf-Astoria Hotel in New York City. We knew that we had to dramatize not only our new product, but also the grim necessity of America's attaining self-sufficiency in rubber. This was a selling job to interest all Americans but through an audience which contained our best and most important prospects, executives of leading concerns and transportation companies.

Although this party may never become as well known as the Boston Tea Party, some historians may decide that in its way it was perhaps as important. That afternoon we were selling something

bigger than a new tire made with synthetic rubber. We were selling the American people the idea of developing a man-made rubber industry as insurance to carry our economy should we be cut off from the rubber plantations in the Far East, from which more than nine-tenths of our rubber came.

We did a little theatrical stage-setting as a backdrop for this sale. As I began to talk the curtains behind me parted to reveal an animated world map with the ocean shipping lanes neon-lighted and a miniature freighter loaded with raw rubber plowing along, headed for America. As it edged along, I started to tell the audience something of the problem, from the rubber standpoint, of a nation organizing to build up its national security.

Then I worked up to the big question: "What will happen if those ships stop coming? Can we afford to put the defense of our freedom and the continuance of our way of life at the mercy of incidents on the high seas? There are too many things that might happen . . ."

At this point a giant firecracker went off behind the display, and slowly the miniature freighter and its shipload of crude rubber disappeared beneath the cardboard ocean waves.

We staged it this way deliberately to dramatize the urgency of the situation. Some of our guests probably felt it was a bit exaggerated, but it was not long before our little drama was being enacted on real oceans and with real ships. But that day we were thinking only of that huge question mark on the blueprints that were being drawn in Washington and wherever American industry was mobilizing its wealth of natural resources in a vast, united effort to defend our freedoms and our country.

That question mark was rubber. The United States already was using more than one-half of all the crude rubber consumed in the world. Without rubber, life as we knew it could not go on. Trucks, buses, and automobiles would not be able to move.

And what would we do without the rubber used by surgeons in our hospitals? How could we successfully get along without the rubber belting, hose, and countless other industrial products that made possible the production of practically every manufactured product. More important in wartime, planes would not be able to fly. Tanks would not roll.

As I talked, I sold myself even more fully. In my own heart the

conviction grew stronger that we were not just selling tires to these important representatives but that we were trying to sell the American people, always prideful of their self-reliance, on the grim necessity of being self-reliant in rubber.

And then I introduced one of America's greatest scientists, Dr. Waldo Semon, Director of Pioneering Research of B. F. Goodrich and the discoverer of "Koroseal," the pioneer product in what has become one of the outstanding and most useful plastic families, vinyl resins. Dr. Semon related the steps that we had taken in arriving at the use of butadiene, a petroleum derivative, as the logical main raw material for an American rubber for tire and other big-volume uses.

Dr. Semon took a bottle of our man-made latex, poured it in a beaker and stirred in a weak acid solution to make it form a curd, squeezed dry a lump about the size of a baseball, and bounced fragments of it off the table into the audience! This was American-made rubber of basically the same type we all were to have on our automobiles only a couple of years later.

The meeting climaxed with the darkening of the huge Waldorf ballroom for a brief 30 seconds while a red, white, and blue spotlight dramatically picked out a passenger car tire revolving on a pedestal.

My concluding words were the most important sales message of my career. "Here, ladies and gentlemen, here you see America's first passenger car tire built of all-American materials for Americans alert to the meaning of independence and preparedness. It is this tire, made with Liberty Rubber—Ameripol!"

Although our customers and guests were flatteringly enthusiastic about our announcement, we felt that despite all the cheers and applause there were still tough problems ahead for this new product because of its relatively unknown quality.

The general public is traditionally wary of any *ersatz* or synthetic materials. Americans don't like to be experimented on, especially when their cash is involved, and at that time our new tire cost about one-third more than one manufactured from crude rubber.

Maybe we violated some of the basic rules of salesmanship, but we told the assemblage frankly not only about the extra cost, but

that we could not be sure these tires would give any better service than conventional ones.

As we moved among our guests, greeting old friends and customers and answering their penetrating questions, we listened keenly to their comments for we knew much of the sales job remained to be done. We told them individually how much we needed their cooperation to speed the development program and how we needed them to complete the testing of these new tires by subjecting them to actual operating conditions on the nation's highways.

At first only a few of our prospects asked to have our salesmen call on them. Then more and more men asked themselves the question: "How rapidly can the United States develop self-sufficiency in rubber unless we join with B. F. Goodrich in this program?" Their response to our plea became affirmative, and our faith that the American public can be relied upon to demonstrate the truth that free men, cooperating voluntarily, can solve our nation's problems was more than justified.

Besides the all-important defense problem, these experienced businessmen asked themselves a second question, "Will we be able to get tires for our trucks and cars no matter what happens on the world battlefronts?" When they thought through the answer to this question they began to jump on our bandwagon.

In an unprecedented display of patriotism, hundreds of companies and individual car owners gladly paid the premium price and ordered Ameripol tires. They had them mounted on passenger cars and fleets of delivery cars that traveled many thousands of miles each year. All told, 80 million miles of road tests were quickly rolled up under every conceivable operating condition, and few were disappointed in the performance of the new tires.

Operators of our vast unpaid test fleet sent us scores of letters testifying that Ameripol tires gave at least as much mileage as tires made of crude rubber. In many cases, they said they far outlasted crude rubber tires. The few complaints that did come to our attention emanated mainly from motorists in localities where the winters were extremely cold. Our research scientists went to work on this problem and soon remedied it.

We were, and still are, thankful to the automotive companies and to others such as Aetna Life Insurance, American Airlines,

American Can Company, Baltimore & Ohio Railroad, Bethlehem Steel, Brink's, Gulf Oil, Jewel Tea Company, Railway Express, U.S. Gypsum, and Western Union for working with us and contributing so much to the success of our dream for a national self-sufficiency in rubber.

After our presentation at the Waldorf-Astoria, the second and just as important phase of my biggest sales undertaking began, persuading the government to join with us and American industry to complete the underwriting of this rubber insurance policy.

Almost immediately I was invited to appear before the Senate Committee on Military Affairs in Washington to repeat my story. My associates and I did this on June 14, 1940.

We made two recommendations to the government:

1. That the government finance and construct two or more large-scale plants to manufacture American rubber from domestic raw materials.

2. That the nation build a stockpile of crude rubber to meet the growing rubber emergency.

We also offered the services of the B. F. Goodrich Company in designing, constructing, and operating one or more such stand-by plants for the government. This offer embraced not only the polymerization phase but also the production of principal raw materials.

"Plants such as we are suggesting," we said, "are like battle-ships and bombers in our national defense setup. We build battle-ships and bombers in peacetime, not because we need them then but because there isn't time to start from scratch and build them when we get into war."

But no one felt war was really imminent. Many felt action was not immediately necessary; quite a few others testified that American-made rubber could not meet the challenge anyway when and if war came.

But then came Dec. 7, 1941 and the attacks on Pearl Harbor, Clark Field, Guam, and Wake. Americans awoke one morning to learn that a 35-mile-an-hour national speed limit had been imposed to conserve our tires and that tires were going to be rationed among the nation's 27 million motorists.

There probably never was a major, essential industry so completely turned upside down, and yet required to stay on its feet and

keep punching, as was America's rubber industry when World War II hit this country. It had to create a totally new source of its basic raw material. In doing so it had to imitate one of nature's most inimitable chemical secrets. And, ultimately, it had to produce, by the juggling of molecules, the equivalent of the output of more than 500 million adult rubber trees! At the same time the industry had to learn to use this new material, which in many cases did not behave at all like crude rubber, in the fabrication of not only the essential peacetime goods but in scores of new and strange, high-performance products needed in the war.

History now records that all this was accomplished. In fact men who understand war and industry have said that "In terms of its vital value to our armed forces and its immediate utility to millions of persons, the production and utilization of this revolutionary new material on such a scale is the greatest industrial achievement of World War II."

Meanwhile, dating from the Waldorf tire unveiling we had continued to supply the government with studies and proposals on rubber. Action came fast in the days following December 7, 1941 and in January 1942, government production plans of man-made rubber were announced on the basis of 400,000 tons a year. This was rapidly stepped up to 600,000 then 700,000 and 800,000 tons plus, as the Japanese quickly extended their domination of almost all the rubber lands in Southeast Asia. Before the war ended, this country had achieved, for a short period in mid-1945, a production pace equivalent to more than one million tons a year!

I want to make it emphatically clear that it was the wholehearted cooperation of American business concerns and the patriotic American people who purchased those original Ameripol tires that enabled us to expand our research and production of man-made rubbers and to improve them at a time when they were most needed.

It was largely thanks to their faith that Uncle Sam was able to provide every medium tank with its needed 826 pounds of rubber, every 75-mm. gun carriage with its 409 pounds, each fighter plane with 146 pounds and thousands of jeeps with 91 pounds apiece. Then, of course, our fighting men needed rubber boots and shoes, 45 million pairs, plus extra soles and heels. Forty-two million pairs

of waterproof footwear had to be produced for wearing by civilians on the home front, too.

Rubber-coated materials for raincoats, ponchos, rubber boats, and other flotation equipment were turned out in huge amounts. Also gas masks, oxygen masks, hose for fighting fires and refueling ships and planes, surgical tubing and battery cases (ten million of the latter) for submarines and vehicles.

Now in the postwar period, man-made rubber is more than holding its own in the rubber industry. It is unsurpassed for many uses and without this man-made rubber many new products would never have seen the light of day. Puncture-sealing tubeless tires and superadhesive for bonding brake lining are just two of the postwar products made possible by the development of man-made rubber.

In those difficult days in 1940 we had to start pretty much from scratch to put our sales message across. Now butadiene and polymerization are practically household words. Man-made rubber came on the scene as a wartime substitute, but it is a substitute that has come to stay.

Now, five years after the end of World War II, with Communists and guerillas creating chaos in the Far East it would seem the sheerest folly for this country to return to anything like the prewar 90 per cent dependence on the other side of the world for such an essential material as rubber.

As one of the original salesmen of Uncle Sam's "Keep 'em rolling" insurance policy, I would like to take advantage of the insurance man's privilege of calling attention to the future. We must not let our national insurance policy in man-made rubber lapse. To achieve any degree of preparedness for an emergency it is vitally important that we keep part of our American-developed man-made rubber industry in operation and the remainder in standby status. We must not face another Pearl Harbor in rubber. To do so might mean the loss of our cherished freedoms and our American way of life, the greatest ever known to mankind.



FLOYD A. POETZINGER

In addition to being a partner and President of the Chicago sales consulting firm of Poetzing, Dechert and Kielty in Chicago, Floyd A. Poetzing is a director of the Burry Biscuit Corporation, a director of National Sales Executives, Vice-President of the Sales Executive Club of Chicago, a counselor on the DePaul University Job Forum, a member of the Board of Governors of the Library for International Relations, and a talented musician.

When he was asked to submit a biographical sketch for this book, Mr. Poetzing sent us the following:

"As a child back in Waverly, Iowa, it was hard for me to understand my father when he kept repeating, 'Son, no matter what you turn out to be, you're going to have to be a salesman. If nothing else, you'll still have to sell your boss every day on letting you keep your job.'

"As I grew up, I took 'temporary' jobs selling punch boards, pianos, bird seed, rubber stamps, advertising, salt, and even tombstone polish. But all these jobs, mind you, were just for the 'experience' and with no thought of ever selling as a profession.

"My first real job in 'the big city' was in the accounting department of a large investment company, but I wound up in the sales department within a couple of years. So I quit to become cashier of a branch of General Motors and again I wound up in sales. I tried advertising, but there was always more sales work for me to do than advertising.

"Commercial film companies were just beginning to make sound pictures back in 1932 and it looked like a coming business, so I established myself in what I felt sure was my profession, film writing. One day I was assigned the job of writing a sales and public relations film for Mr. Roy Hall who was then President of McMillen Feed Mills. Mr. Hall, one of the greatest men I have ever met, politely explained to me that I was in the wrong business. After three or four years he finally proved it. So instead of trying to avoid being a salesman, I decided to go the limit and sell 'selling' by becoming a sales consultant."

54. How Lucky Can You Get?

IT WAS the "lucky" sale that put us in business. And it wasn't very long ago.

It was the late summer of 1946 and we had been in business less than a year. We were sales counselors at a time when a sales-manager's biggest problem was hiding the salesmen from the clamoring customers in a seller's market; a problem on which we could not be of much help at a fee.

Up until that time our largest order had been about five thousand dollars. And our total billings for the year had not been much more than twice that.

We were in the position of a straight commission salesman who is down to his last pawn ticket with nothing left to pawn. We needed an order. Any kind of order. Large or small. But soon!

I feel sure now that it must have been a bright and sunshiny morning on which the mail brought an inquiry from one of the four largest dairies in the world. "Our business has grown nearly tenfold during the war," they wrote, "and we would like to plan now for developing and training our postwar selling organization. Your organization has been suggested . . ."

Planes were still on priority. The twice-a-week train for San Francisco took off at noon and I probably wasn't waiting at the station much less than a half day before it pulled out. I was armed with the results of the two or three small jobs we had thus far completed, and the knowledge that San Francisco was so far away that the prospect wouldn't know what a small office we had in Chicago.

The first two days in California I spent asking questions and visiting milk and milk products plants to be sure I knew as much as possible about the customer. I figured that I'd get but one call in which to make my sale. Even if the prospect gave me more

than one chance, the railroad wouldn't. For they still don't take pawn tickets for fares between Chicago and San Francisco.

Like many other progressive organizations today, this prospect used the group-management method of deciding on major projects, which of course, means that every man in top management had to agree to going ahead with my proposal. So I soon discovered that I would have to "sell" 27 plant managers who would be brought in for the final presentation. All these, in addition to the product managers, advertising managers, vice-president for sales, and the executive vice-president—a tidy group of around 35 top men.

On the fourth day of my visit, we met in force in the board of directors' room. I had tried to presell as many of the men as possible. But it had not been possible to reach any of the plant managers in advance nor the executive vice-president, who had been too busy to see me previously.

It took three hours and forty-five minutes to make our specific recommendations for a program. And at the end of that time, to my surprise, everyone in the room agreed that it was a fine program and probably would do just what was needed!

But to my further surprise, practically no one wanted to buy it!

Twenty-seven plant managers explained one by one that they couldn't see the need for buying from an outside source. "We have a Sales Department," said one man. "Why shouldn't they prepare this program and develop the selling organization we need? Why should we buy it from someone outside the company; even outside the industry; from an organization that has never directly sold even one bottle of milk or a pound of butter?"

The Vice-President for Sales knew that it was a sound purchase, but he could not very well say so. It might look as if he were either trying to get out of the job of doing what must be done or else look incapable of doing it.

The objections were coming primarily from those men who were more production-minded than sales-minded. This seemed to me to mean that they really did not understand just what was needed nor what was necessary to develop it. And, of course, a man will never buy anything he doesn't understand.

I was pretty desperate! But for the life of me I couldn't think of a way to make it clear to them just why an outside sales con-

sultant should do this job of helping to plan and develop a postwar selling organization instead of having their own Sales Department do the job.

I needed time to think. But there wasn't time to think! Suddenly I had an inspiration; one that has saved a sale many times since, too!

As humbly as possible, I said, "Gentlemen, I sincerely believe that the only reason you haven't asked us to help you with this project is that I'm just not capable of making it clear to you. And frankly, I'm just not smart enough to think up a way right here and now that *will* make it clear. But please don't turn it down yet! Let me think about it tonight. Please give me another chance here in this room tomorrow morning at nine o'clock!"

They were willing to give me another half hour, and we all filed out of the room wondering what in the world I would say the next morning.

Alone in my hotel room that night it occurred to me that it would be impossible for their own Sales Department to develop a complete program of the magnitude they wanted without hiring a very large staff to do it.

In addition, their key sales personnel would have to take most of their time from their present sales duties where they were urgently needed to supervise the planning of this kind of program. Besides, it would take them much longer to get it done than it would us.

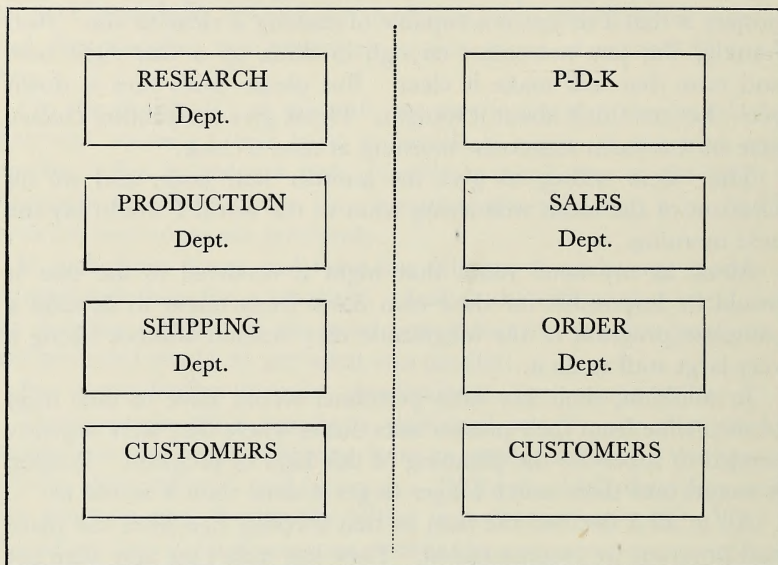
All in all I decided the men in that meeting had liked the plans and program we recommended. They just didn't see and were not sold on the reasons why we should develop it for them. It seemed to me that I would have to take something they already understood and draw an analogy that would sell this idea. The sale could be made only through a real understanding of the legitimacy and advantages of our doing it for them.

I had seen their huge research laboratories. I knew the entire organization was "research minded." They had the biggest laboratory of its kind west of the Mississippi. So it seemed that we could certainly get complete understanding if I discussed the problems in terms of research.

I went on from there, worked out the details, and went to bed.

The next morning I showed up at the shipping room when the plant opened, nearly two hours before my meeting. I borrowed a

large piece of wrapping paper about three by five feet and a large heavy black crayon. Down the left side of the paper from top to bottom I drew four large rectangles in which I lettered words that I knew would be very familiar to everyone. Then I drew similar rectangles down the right half with more words lettered as shown. Finally, I folded the paper down the center so that I could show one-half of it first.



When the 35 men came into the room at 9 A.M. as they had promised, they saw the left-hand portion of my chart taped to the wall with paper masking tape. The right half was underneath, out of sight.

Following the preliminaries I began, "Gentlemen, I think I can be clearer today than yesterday." I pointed to the chart. "It seems to me that your production department is an excellent one. Yet you wouldn't ask them to stop producing in order to look for new products or new and better production methods. You leave this to your Research Department, and I understand that you have one of the finest departments in the country. You don't ask Research to make shipments and you don't ask the Shipping Depart-

ment to help with production. You have three highly skilled departments, each doing its own job. And Research has helped you to improve and increase production tenfold during the past five years."

I unfolded the paper so they could now see the right half, then continued, "By the same token, you would hardly ask your Sales Department to set up to do a research job in new sales techniques, management methods, and the sales tools that will be required to increase your sales power tenfold in the next couple of years."

"Why," asked one of the plant managers, "shouldn't the Sales Department set itself up to do this?"

The answer to this, of course, was that the Research Department had been built up slowly during the seller's market when this expansion would not hurt the company's profit picture. But now that production was up, and future production scheduled for, it looked like considerable sales research might be required immediately to move the production output.

I explained all this carefully, but the point that made the biggest impression was "Yes, you may hire a lot of new people to do this major job. And you'll need a lot. But they are specialists in this kind of work. When you are through doing it, what will you do with them, fire them?"

The morning session wound up, in essence, with "Either you do not believe in research of any kind, gentlemen, or else you believe in sales research, too. In which case you either decide to set up a big and expensive department to do the immediate major job, or else give it to sales research specialists who can easily be hired as a group today, and just as easily discharged tomorrow when they have completed the job."

The decision passed therefore to the Vice-President for Sales who then explained that he felt the most economical job could be done without setting up a large internal staff.

So everyone agreed that P-D-K would go ahead with the project which came to \$86,000! This was almost eight times our billing for all the time we had been in business to that day. The Vice-President promised the formal order within three days. And I took the next train to Chicago. But we celebrated too soon!

Ten days went by. No order. Two weeks! No order!

We made a guess as to the reason why and went to work again.

I prepared a letter nearly 12 pages long. It is still famous in our office for its length and number of illustrations. Every new employee has it shown to him by the others. This letter recapped the problems, the recommendations, the cost of each phase, the time required for development, and everything else we could think of that might ever be needed presently or in the future.

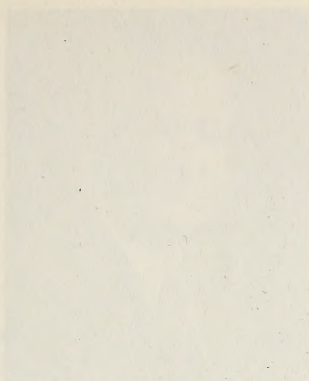
It got the order by return mail! Lucky again! For the Vice-President told us later that he had hesitated because of the considerable responsibility on his shoulders. The more he hesitated, the more he forgot all of the facts that were brought out in the meeting.

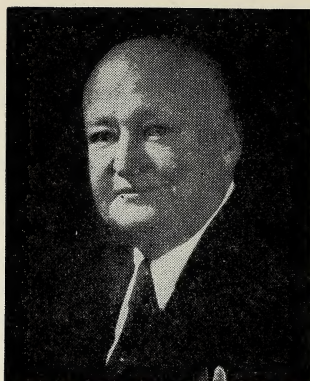
But when the letter came, he said that he began to feel that he could justify his decision six months or six years hence by showing the letter to any superior and saying, "Here are all the facts upon which I made my decision to go ahead. On the basis of these facts you see here I would make the same decision today as I did then."

But he was lucky, too. For the program not only did the job; it also helped to develop several new men who have since been worth much to the organization.

It seems to me that any big sale needs the kind of backing that was in that letter; a recap of the facts and the situation on which the decision is made to "buy," so that the "Decider" can always defend his decision anytime in the future.

We still think \$86,000 is a big order. But one ten times that size wouldn't mean as much today as the one that really "put us in business."





David Burns

ROBERT P. BOYLAN

While serving as Chairman of the New York Stock Exchange's Board of Governors, Robert P. Boylan was president pro tem from January 12, 1950 to May 1, 1950 in the absence of Emil Schram. Mr. Boylan was re-elected to his fourth successive term as Chairman in May 1950.

He was formerly the president of the Chicago Board of Trade, having started there as a clerk at the age of 16. In 1936, he bought a seat on the New York Stock Exchange and in 1947 became Chairman of the Board of Governors.

My Boylan was born on October 29, 1891 in Cincinnati, Ohio. He attended Our Lady of Sorrows Parochial School and St. Philip's High School in Chicago until the age of 14, when he became a clerk in one of the city's grain brokerage firms. Seven years later in 1912 he acquired partnership in Edward S. Adams & Co., where he continued until 1918. In that year he began operating under his own name in Chicago as a broker in grains and stocks. He became a member of the Board of Trade in 1915, and, after having served as a director and Vice-President, in January 1935 was chosen President, which office he held until August 1936.

In addition to his other posts today, he serves as Chairman of the Boards of Directors for the allied exchange corporations, the New York Stock Exchange Building Company, and the New York Quotation Company and Stock Clearing Corporation.

55. "Unlimited Order" — Chicago Board of Trade

MY ENTIRE business career has been spent buying and selling on two great auction markets of the world. First, from 1915 to 1936, it was on the Board of Trade in Chicago, of which I am still a member. Fourteen years ago I moved my interests to the New York Stock Exchange and its traditions, which extend back to 1792 when the need of a securities market was recognized by the First Congress of the United States.

To me, few things are more important to our economy than the facilities of a market place that enable the public to acquire an ownership stake in American industry. A nation's strength may be measured by the conversion of capital into its productive enterprise. The result, in this country, is the highest standard of living ever known to the world.

Just how important these considerations are may be understood when it is realized that it takes about five billion dollars annually in new investments to create some 700,000 new jobs for young people entering business each year. To me, each day on the floor of the Exchange is a fascinating and taxing combination of the responsibilities that accompany buying and selling the securities of America's greatest corporations.

It is difficult to pick out one "great sales story" from all the rest. When I was a broker on the Board of Trade in Chicago, an "unlimited order" was given to me by a client to spread wheat futures. An unlimited order to spread wheat futures represents one of the most complex trading jobs on the Board of Trade. It taxes a broker's skill and competence to the utmost. It keeps him on his mental toes for what seems an interminable period. He can't "take ten" for coffee. It's like standing astride a fluctuating set of scales and trying to keep them level.

The unlimited order I remember so well was given to me back in the exciting twenties. It was in March 1927. Shortly after the wheat market opened at 9:30 A.M., I was met by a representative of the client, who crisply gave me this verbal order: "Spread wheat futures within a differential of seven points, unlimited."

There is no further conversation with such an order. You listen, nod, and the rest is up to you. "Spreading" means both buying and selling or bidding and offering. The normal effect of spreading is to bring two prices together. In this experience of 1927, my task was to buy May wheat futures and sell July futures, keeping the difference within seven cents a bushel.

To undertake such an assignment you enter a two-way auction, composed of many bidders and many offerers. As an individual broker, I was competing with other brokers representing commission houses who in turn represent the public, with individual traders operating for themselves, and with other brokers representing elevator or grain warehouse interests.

The bids and offers are, of course, by voice or sign. You work in what is called the wheat pit where brokers stand on tiers of concentric arcs. An extended fist means an offer at the whole price. One finger means one-eighth. When you hold your hand outstretched with palm down, you show that you are offering to sell.

To make the bids and offers you want, you must beat the competition lined up against you with your cries or signs. Although the other brokers cannot help but see and hear what you are doing, you must be careful not to tip your hand.

On this March day, I knew my fellow brokers realized immediately, when I went into action, that I was "spreading." However, my advantage was that they didn't know for whom I was acting; they didn't know how much I was going to buy and sell.

I looked up at the huge board on the wall where quotations on all grain futures are shown. I saw that I could, for example, buy wheat at \$1.10 a bushel, provided I could sell the same number of bushels at \$1.17, maintaining the seven-cent differential.

You have to proceed slowly. By buying too much too fast, you can get stopped by a rising price and dry up the market you want. You have to buy at relatively small increases. You don't want to disturb the delicate market indicator. The same caution applies to selling. That's why spreading is so difficult. You realize, too,

that this unlimited order is not the only one you are working on. You are also bidding or offering for other clients in other months.

With May and July wheat futures as my merchandise, I started buying and selling cautiously. Even so, within a few minutes after the opening on that first day, the impact of my "unlimited" order was felt. I had to hold back. I had bought first. May wheat was offered at a half. I bought 300,000 bushels. Then I sold a like amount of July futures and waited for the proper adjustment. I bought and sold and by the closing of this first day of my unlimited order, I had bought and sold 12 million future bushels for my client.

My unlimited order was still good on the second day; I had been able to "spread" without upsetting the agreed seven-cent differential. The second long day from 9:30 A.M. to 1:15 P.M. was more difficult. When a salesman has an unlimited supply of goods to sell, he obviously dries up the market and affects the price. Finally, the spread went over the seven cents. That meant the order was no longer operative. But I had managed to buy and sell a total of 30 million bushels to the complete satisfaction of my client.

Although I sold 20 million bushels of wheat for another client later on, nothing compares in my mind to that unlimited order given me in March 1927. Then, as I have many times before and since, I was on the floor continuously from opening to closing, handling other orders simultaneously.

Participating in trading on one of America's great exchanges is a far different kind of job from that of most salesmen. It is a selling job as well as a buying job requiring keen judgment, quick wits, concentration, and shrewd observation.



SIDNEY WEIL

Executive Vice-President, American Safety Razor Corporation, Brooklyn, N. Y., was born in Brooklyn in 1901. He attended New York City public and high schools and the New York University School of Commerce where he majored in foreign trade.

From 1920 to 1922, he was stationed in Panama as representative of the Universal Export Corporation, an export distributing concern specializing in national brand consumer items, such as Chesterfield cigarettes, Bayer Aspirin and allied products, and Woodbury Facial Soap.

From 1922 to 1925 he was connected with the Levonol Company, another export concern. Most of this time was spent in Cuba, likewise specializing in the promotion of nationally branded products, such as Wrigley's Chewing Gum, Life Savers, Phoenix Hosiery, and Gem Razors and Blades.

In 1926 he joined the American Safety Razor Corporation as Export Manager, in which capacity he travelled extensively both in the Latin American markets and Europe. He was named Director of Sales in 1942; Vice-President in Charge of Sales in 1943; and in 1949 he was elected Executive Vice-President and Member of Board of Directors.

Mr. Weil was married in 1927 and resides in Manhattan.

56. A "Revolutionary" Sales Story

UNLIKE THE TOASTMASTER who is always "reminded of a story," I am reminded of many, many stories when I look back over my years of sales experience. How to pick one that would be of particular interest to this publication becomes a problem. Most sales stories are not, in my experience, neat little incidents clearly defined by themselves as are the patterns in a mosaic but a serial story, if you will, a series of stories that climaxes into the signature on the dotted line.

Even that paragon of salesmanship, the Fuller Brush Man, who, to the untrained eye, makes his call and closes his sale all in one little capsule, has the roots of his selling very deeply planted. Most all of the neat little capsuled sales that he makes represent years of service, years of friendly relations, and years of proved value of what he has to offer. Although there may be exceptions to the rule, my experience is that most good sales stories can only be told, not as integrated individual tales, but rather as a series of events leading to the ultimate climax.

However, out of the experience of the past there comes to mind one particular selling effort that perhaps can stand retelling as an incident apart.

It happened in Cuba in the year 1931. Our company had always engaged very vigorously in the export markets. In those days no one even heard of dollar shortage and the entire world was, so to speak, your oyster. The Cuban market had always been a very active one for us, and the Gem Razors and Blades had a long history of advertising and promotion behind them. Because of the proximity of the market and its importance we worked it very closely, and in the spring of 1931 I found myself in Havana on my semiannual visit.

Much to my dismay I found that the Pearl of the Antilles was

losing much of its luster. The country was seething with political unrest, added to the economic stress that the rest of the world was suffering at the very depths of the worldwide depression. In Cuba, it eventually erupted in the revolution that ousted the Machado regime a couple of years later.

Business wasn't bad; it was just nonexistent. The lovely tropical Cuban nights were not quite so lovely when constantly punctuated by the explosion of bombs and the sound of pistol and machine-gun shots. People kept off the streets as much as possible, and merchants started pulling in their horns and sat back waiting for the storm to blow over. The business climate was most unhealthy, and certainly most unsuitable for any major selling effort.

Every attempt to sell our wholesale trade even their normal requirements met with dismal failure. Reverting to the first principles of selling, we went out detailing the retail trade attempting to secure enough "turnover orders" to light some little spark of interest with the wholesalers. Here again we had almost complete failure.

A very important outlet retailwise for our merchandise was called *vidriera*, an institution almost peculiar to the Cuban market. It consists of a counter and a couple of built-in show windows, usually placed in the corner nearest the door of a café. In this small space is crammed usually more goods than you would find in an ordinary full-sized variety store: cigars, cigarettes, soaps, cheap jewelry, wallets, toothpastes, shaving creams, and hundreds of other items. Obviously this type of merchant has no place to store any shelf stock and must be sold almost on a day-to-day basis; but he had become gun-shy, not figuratively but literally, and half the cases of his goods were not even on display, nor was he open for business because his particular café had pulled down its corrugated shutters either in anticipation or as a result of some nearby shooting.

Yet, unless some sales stimulus could be found to counteract this situation, our results were bound to be disastrous. Surely, we thought, there must be some sales angle, some selling approach that if found would break through the business apathy.

Not willing to allow the challenge to go unaccepted, I cast about for the answer. One very strange phenomenon asserted itself. Despite all the shooting, the riots, the lack of movement in the streets, and the lack of people in the cafés, there was one place

where the irrepressible Cubans still congregated in great and enthusiastic numbers, and that was in the baseball parks. And by the same token, although everybody knew that most of the news published in the local press was government inspired, they seemed to feel that the baseball news, both from the States and local, was the one part of the newspaper where essential truth prevailed. At all events, at that period baseball was the only bright spot on the Cuban scene.

It so happened that during the previous winter the Brooklyn Dodgers, more popularly known as the Robins at that time, had trained in Havana, and the Cubans had taken them to their hearts as avidly as the inhabitants of deepest Flatbush. In addition, Adolfo Luque, the great Cuban pitcher, was then a member of the Brooklyn team. Now that the Major League pennant races were on, it was remarkable to see how every Cuban paper gave the Brooklyn Team top billing on its sports page, just like any hometown paper features its own team.

What did all of this have to do with selling razor blades? Just this: We were a Brooklyn concern. Every advertisement that we had ever run carried our Brooklyn address. Every label, every package that we distributed bore the magic word "Brooklyn." Was this not a formula for breaking through the natural resistance that had been built up against all promotional activity during that critical period?

An advertising campaign was prepared with probably the oddest insertion schedule that was ever conceived. The papers were instructed to publish the ad on the sporting page every single morning subsequent to a Brooklyn victory. Thus the Cuban "fanatico" was greeted on these mornings with the statement, "*Dos Triunfos Para Brooklyn*," "Two Triumphs For Brooklyn." The ad went on to confirm that Cuba's favorite blade, the Gem, another product of Brooklyn, also from day to day was winning new fans. The rest of the ad, the "commercial" so to speak, extolled the virtues of our product in baseball terms, such as, "striking out the toughest beard," "never losing control," etc.

Now to all this we needed a clincher. We wanted to create some urge to action that would stir things up. We conceived the idea of a premium in the form of a photograph of the entire Brooklyn Club to be offered in our ad in exchange for three blade labels.

Here was another selling problem: to sell the management of the Brooklyn Team the idea that this kind of publicity would be good for the team. We pointed out that since the Cubans had apparently

¡Dos Triunfos para BROOKLYN!

De nuevo ganó el team favorito de los fanáticos cubanos. ¡Que siga en la racha!

Además — sigue ganando la hoja GEM (también de Brooklyn), ganando nuevos amigos y fanáticos todos los días.

Esta insuperable hoja le dá los nueve ceros a la barba más recia, sin perder nunca el control y sin otorgar a ningún pelo la base por bolas.

Ya todo el mundo sabe que la hoja GEM es la hoja champion, la más gruesa, la más fuerte, la más duradera y la que dá

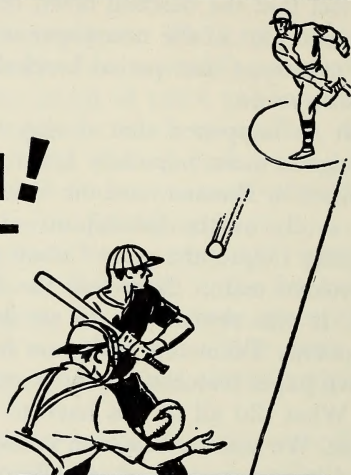
Más Afeitadas por Hoja

GEM

Distribuidor para Cuba:

E. HAUSMANN

Zulueta 36-D, Habana



Envíe tres sobrecitos vacíos de hojas GEM y recibirá

**ABSOLUTAMENTE
GRATIS**

Una magnífica fotografía del team completo de los Robins de 1931, con los nombres de los jugadores.

Remita las sobrecitos con nota conteniendo su nombre y dirección a:

GEM SAFETY RAZOR CORP.

303 Jay Street
Brooklyn, Nueva York

adopted "el querido Brooklyn" as their home team, our idea could only cement the friendship and create an even more "at home" feeling in the training camp whenever they came back.

Finally the management agreed to go along with us and granted us permission to reproduce the team photograph. In subsequent years Brooklyn has returned to Havana many times for its pre-season training, and I am sure our promotion had a great deal to do with the friendly climate that they have always found there.

As far as the offer was concerned, results were amazing. Labels by the thousands swamped us, and photographs by the thousands went out addressed to fans from the western province of Pinar del Rio clear through the Island to Oriente.

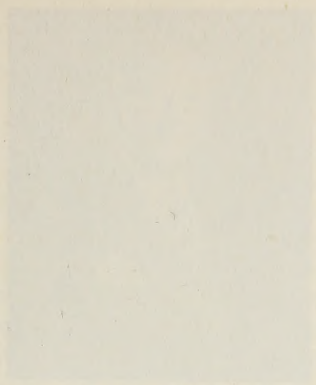
Naturally we armed our entire sales organization with all this material: the advertising campaign, the free photograph offer, and the enthusiasm engendered by the results that were starting to pour in. We made blowups of the team picture, offered window displays, and of course we got a lot of good newspaper publicity.

Almost as if by magic we were able to overcome wholesale and retail inertia. We recognized that here we had at hand a salesman's dream. We went to our customers armed with a program for action. We went to them with evidence in hand that trade *could* be stimulated once the key to the problem was found. We armed ourselves with every possible selling tool, showing our trade the coverage of our advertising, the immediacy of its appeal as evidenced by the quick avalanche of write-ins, and the almost daily news value of our type of ad.

We followed our hand by getting important locations to display the group team picture and of course reproductions of the ad. This required one of the first essentials of selling, use of shoe leather. Hundreds of calls had to be made and made quickly, each one accompanied by a bubbling enthusiasm that had to be transmitted at once to a prospective customer whose general attitude had been completely negative to every sales approach. But with the right tool even glass can be cut, and while there was probably nothing harder than the glassy-eyed stare that met us when we opened our selling kit, we did have the right tool and we did cut through.

In the fog-bound calm of general business conditions, we swept through, all sails set, before a most favorable wind. We had met a situation of mass sales resistance and of bad business climate, but by being opportunistic we had created for our product a very opposite situation.

I think that the one big lesson that may be taken from our experience is this: When business is generally good, everybody is in pitching for his share, and each individual effort does not seem so outstanding. Contrarywise, when things are generally bad; when everybody is in the doldrums; when everyone, including competition, is pulling in his horns and has adopted a wait-and-see policy, the salesman, the sales manager, or the business concern with the imagination, the know-how, and the fortitude has practically a clear field in which to run his race for a walk-over victory.





Bob Olen

A. B. COHEN

President of the United States Shoe Corporation, Cincinnati, Ohio, is a shoemaker who has stuck to his last. He began his working career as an errand boy in Boston with the Winch Brothers Company, now a part of the International Shoe Company.

Because he "liked people," he found he liked to sell. Given one of the worst territories in the Winch field when he was still a young man, he worked up in the ranks of that firm until he headed the entire sales force. World War I interrupted his career briefly. Afterwards, using money that they had saved as salesmen, he and a friend formed a partnership to establish the Cohart Shoe Company, in Boston.

Cohart prospered, and a factory was purchased in Marlboro, Mass. Then in 1926, Cohen saw greater possibilities for him out in the middle-west with what was then known as the Sternauer Shoe Company in Cincinnati. He became Vice-President and General Manager of that concern, working with J. S. Stern, Sr. and other members.

These two shoe men had their eyes on the United States Shoe Co., the makers of Red Cross Shoes. They liked the product. Red Cross Shoes were good shoes but the promotion behind them seemed lacking. Production totaled 700 pairs a day, but Cohen and Stern visualized many times that number.

In November 1931 a merger between the Sternauer Company and the United States Shoe Company was effected and the United States Shoe Corporation was formed. Today daily production of Red Cross Shoes is in excess of 17,000 pairs.

As President Mr. Cohen still goes out on the road often as a salesman. "I love the road," he says, "and why not? It taught me most of what I knew, and on the road I met the girl I married. I fell madly in love with her and love her madly still. When I persuaded her to be my wife, that was the best sale I ever made."

57. Sales Are Custom Built

SALES are custom built. There are no set rules to the game as it is so often erroneously called. There never can be. That is because in selling you are dealing with individual human beings and you must measure, cut and tailor, adjust and fit to suit each capital "I."

Have you ever talked to a new Dad about his baby? Then you know what I mean. That baby is different, and you might as well admit it right at the start.

The same is true about any merchant or merchandise manager you can name. His business is different. He is not interested in comparisons. What he wants to know is what you can do for him. So, no matter what time, trouble, or expense you have taken to build up a sales presentation in advance (and you must take that time, trouble, and expense), it always must be shaped to suit each individual customer and the conditions at the moment the sale is made.

These observations come from a lifetime of selling. I'm a salesman at heart, and I'll die one. I've spanned the period from the oldfashioned liquor drinking, woman-chasing drummer to today when I still go out to make sales.

Today, however, one of my important jobs is to pick good salesmen, and although I restate my original contention that there are no set rules for selling, there are indeed qualifications a salesman must possess.

Anyone interested in selling at all, and most people should be, might well consider and believe in these qualifications, simple and trite as they are:

1. Like people; and they'll like you.
2. There's no substitute for hard work; you've got to make those calls.

3. Use your wits.

4. Know your prospective customer's business; be ready, willing, and able to help him make his sales.

It was because I liked people that I went into selling in the first place, and it soon taught me qualifications two and three. Finally, I've built my business on number four, and that is really the nub of what I mean by "custom built sales."

But to begin at the beginning, and it's a long way back, I wanted to become a lawyer. For three long years after I finished at high school, I studied law in a course the YMCA was giving. The old "coconuts" gave out, however, and I had to go to work. It was a good thing, too, I guess. My first job was in the shoe business, and I've stuck to my last ever since.

As an office boy for the Winch Brothers Company, now part of the great International Shoe Company, I found plenty to do. From office to stock boy wasn't a broad jump, but it got me my first chance at selling and that proved enough to change my whole life. You see, a stock boy at Winch's worked where retail store buyers from around Boston came to get their wholesale shoes. Often salesmen were busy. Then the stock boy had his chance. I took it.

One day I was told the big chief wanted to see me. In those days, you never were called to the front office unless you were to be fired or bawled out. At least that's what I thought. I felt, and I'm sure I looked like a little punk when I came and stood in front of that enormous old desk.

"We're going to make you a salesman," said the boss.

I gulped, and stood there trembling. I had my cap in my hand and I was twisting it so hard it was almost torn in two.

"What's that in your hand?" asked the chief.

"My cap, sir," I stammered.

"Why in blazes do you wear a cap?" he wanted to know.

"Because, sir, at the salary you pay me I can't afford to buy a hat."

That frank answer seemed to please the boss. He broke out laughing. When I saw he could laugh, I began to like him. I smiled, too, and relaxed. It was the start of a very fine friendship. He took me to lunch the next day, not only bought me a hat in

one of the best Boston stores, but also completely outfitted me with new clothes.

I shouldn't have felt as proud as I did because my first sales assignment was what was called a "Territory C." Salesmen will know what I mean when I say the "C" might have been the first letter of a very unpleasant word. My territory covered the smallest towns of Pennsylvania, and a coal strike was in progress. It taught me the importance of qualifications two and three: There's no substitute for work, and use your wits. Let me tell a sales story that remains as vividly in my mind today as if it were yesterday.

Most distinctly I remember those small-town hotels. Boarding houses, they were, really; run on the American plan. So green a drummer was I, however, that I didn't know what that meant and I was paying to eat outside because I thought I couldn't afford the hotel. Remember that there was a coal strike. For four days I didn't sell a shoe. I'd set up my samples in the hotel and try to beg and cajole the merchants to come and look at them. They wouldn't come. So I figured I had to go to them. Believe me, that was hard work.

Finally, in one small Pennsylvania town, I made my first sale. It was to a shoe-store owner who now heads a chain and is one of our best customers. I was lugging my two huge telescope bags of samples. Revolving doors were just coming into vogue. Ever try to get big sample bags through one of those Hell Gates? In this Pennsylvania town, I ended up my two bags and pushed my way through one of those horrible contraptions. As I arrived, panting, inside the store, I heard the voice of the owner sharply berating another shoe salesman who had preceded me.

It was either face the door again or the owner. I chose the latter. "And what do you want?" he thundered, glaring at my sample bags. "You can't sell me anything."

Now here's where quick wits count:

"I am not selling," I said, "I came in to buy."

His attitude changed immediately.

"Sit right down," he said, and he even helped me with my bags.

While his back was turned, I quickly stooped over and ripped out and broke a shoelace.

"I want to buy a new pair of laces," I said.

The owner kneeled down in front of the fitting stool, pulled out

the broken lace, got new ones, and started to put them in my shoes.

While in that humble position, the store owner glanced again at my two big telescope sample cases.

"You *are* a shoe salesman, aren't you?" he inquired. This time his tone was more kindly than before.

"Not today, right here," I laughed.

In silence, he finished lacing my shoes.

"I heard you talking to that other shoe salesman," I said, smiling.

He looked up. A twinkle began to spark his eyes. I knew then I could be bold.

"I'm not interested in selling this store," I continued, as both of us stood up and I reached for change to pay for the new laces. "Nor would my house be interested. Our company sends its salesmen out into the field to help stores make money and we think salesmen deserve better . . ."

He didn't let me finish.

"Young man," he said, "I'm cursed with a nasty disposition. Forgive me. Come on back and open up those cases."

Before we were finished, I had booked my first and biggest order of that first "C" territory trip. Furthermore, he loosened up and told me a great deal about his problems as a shoe merchant. It was like going to school. The owner and I became great friends.

I learned more and more about shoe retailing as I traveled up and down the country. I picked up useful information to pass along to my first customer and all the other customers I gained. It was good give and take. My customers helped me and I helped them.

The first sale in a small Pennsylvania town marked the beginning of my understanding of the importance of qualification number four: Know your customer's business and be ready, willing and able to help him sell.

At United, where we make Red Cross Shoes, this qualification is a keynote of our sales policy. Our sales approach is not just to put good merchandise on the dealer's shelves. Our policy is to help the dealers clean off their shelves.

Today's shoe salesmen are as different from yesterday's, as a Texas tornado is from a balmy New England summer breeze. For instance, when we pick a salesman we don't even inquire if he has

had sales experience. He must be a merchant. That we consider important.

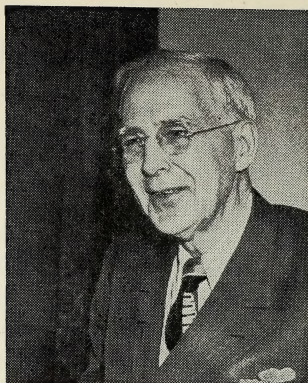
Any retail buyer loves to buy but hates to be sold. The good salesman must become recognized as an asset and not as an expense to the people he calls upon.

Of course, the integrity and policies of the organization behind him make this recognition either possible or impossible. The right type of organization custom-prepares its merchandise for its salesmen to custom sell. Considerable time and expense must go into such preparation. Long before each new line is produced, trends and style information must be studied and analyzed. It is a costly, difficult, but worth-while business to try to give the public what it wants. We think our batting average with Red Cross Shoes has been high and steady.

We have a rather fancy descriptive paragraph we use to picture all this marketing preparation to equip our salesmen to help make custom-built sales. We say:

"In the merchant's yard we have planted a plum tree. It was planted with care. The roots are healthy. We have fertilized it well, watered it regularly. Our job is to grow plums on the tree, nice rich juicy plums. When they are ripe, the tree must be shaken. The harder we shake, the more plums we'll take.

"Let's shake that tree together."



L. B. ICELY

Lawrence Blaine Icely, whose death occurred while this book was in process of publication, was President of Wilson Sporting Goods Co., Chicago. He was born November 2, 1884 in Leaf River, Illinois, the son of Elias and Emma Harrison Icely. He was educated in the John Marshall High School, Chicago. Mr. Icely began his career in 1905 as Assistant Manager of the Chicago Division, Wright & Ditson Co. where he served until 1908. He was Manager of the Pacific Coast Division, from 1909 to 1915. In 1916, he was Western Manager. He assumed the duties of General Sales Manager and Secretary, New York Headquarters, in 1917.

In 1918 he joined the Wilson Sporting Goods Co. and was elected President of the company in that year. He was a Director of the Servus Rubber Co., Rock Island, Ill., and he also served as a Director of the Athletic Institute in Chicago.

During the war he served as a member of Paul McNutt's National Physical Fitness Committee. His clubs were the Chicago Athletic Association, Rotary (Chicago), Knollwood Country Club, Chicago Town and Tennis, and the Chicago Elks Club.

58. Selling Comes First — After Demand

THE YEAR 1918 was a big one for me.

Many were the reasons that 1918 was to stand out as a milestone in my life. The first that I want to mention is that it taught me a lesson in salesmanship that molded a philosophy in selling for me that I was to apply for the rest of my life. The principle was that *regardless of the superior quality of your product, it cannot be sold unless there has been a demand created for it.*

Let me tell you how I learned this vital lesson.

That historic year of 1918, I left Wright & Ditson Company after 13 years of service to become president of Wilson Sporting Goods Co. Although I was relatively young to be heading a company, I felt in all honesty to myself that I had been quite successful in my years of duty with Wright & Ditson. I had served in several sales capacities and was fortunate enough to become General Sales Manager of the company while I was still a young man.

As a result, I had complete confidence in my abilities and felt that I had many staunch friends and loyal customers throughout the rapidly growing sporting goods industry. Due to the fact that I had served as manager of both the San Francisco and New York branches of Wright & Ditson, I knew dealers, wholesalers, and jobbers from coast to coast.

Throughout my years with Wright & Ditson I had cultivated these people into what I believed to be blue-ribbon contacts. They bought from me with complete confidence in my product and the company that I represented.

To me, it was just a matter of carrying this allegiance along with me from Wright & Ditson over to my new position with Wilson. They were my old friends, I reasoned, and as such they

would be my customers tomorrow with Wilson the same as they had been yesterday with Wright & Ditson.

And that was where I was completely wrong. From day to day on my new position I ran into the same stone wall. Surely, my old friends were glad to see me in my new capacity and wished me well personally, but their answer became almost a monotonous routine of "Certainly, we will be glad to buy your product, *but first, go out and create a demand for it.*"

Almost every place I went I sadly discovered that the new Wilson athletic equipment was not wanted, primarily because it was unknown. My buyer friends agreed that it was a good product, but emphasized time and again that because it was not a known product, there was no demand for it and therefore it could not be sold.

Typical of the rebuffs that I encountered was that of a New York dealer whom I knew very well.

"Icely," he said, "I've known you for some time, and I've always enjoyed dealing with you. From a personal standpoint, I'd still like to do business with you.

"But you understand my position. I have to purchase a line that will sell—one that my customers will want to buy."

"The Wilson line will sell," I interjected, "it's a quality line as good as any other athletic goods in the business."

"I agree," my friend said, "that its quality is unquestioned. I disagree when you say it will sell. Few people have heard of it. Fewer still have ever bought any Wilson equipment.

"Create a demand for your product, Icely. When my customers start coming in and asking for Wilson products, I'll start stocking your merchandise."

There was the substance of my problem. No amount of salesmanship could overcome such an obstacle. In effect, I had to sell the public on Wilson sporting goods before I could sell the dealers.

Actually, Wilson had been in existence only a few years as a subsidiary of Wilson & Company, and the buying public thought of Wilson as a meat packer and not as a sporting goods company. As a result, the volume of the tiny firm was barely \$500,000 a year. Wilson was a sporting goods product completely unknown, and few jobbers were interested in risking the sale of such a dubious brand

when there already were several well known and thoroughly accepted lines of sporting goods available.

"Create a demand" became almost a gospel with me in a very short time, for I quickly realized that the best salesmanship in the world would avail me nothing unless I could first sell this demand for our product.

I thought the situation through thoroughly and went straight to Mr. Thomas E. Wilson, the founder of our company. Convinced in my own mind as to what should be done, I was still hesitant in approaching Mr. Wilson. Because advertising and promotion work were both in their infancy at this time, I assumed I must choose my words carefully if I wanted Mr. Wilson to agree with me.

"Mr. Wilson," I began, "I've made a careful study of the firm's condition, its strong points and its weak points and I am convinced that we'll never go anywhere in the athletic equipment field unless we make some radical changes.

"I'll give you the answer to our problem as it has been given to me by many of my dealer friends. It's just this simple: 'Create a demand for Wilson products.' Unless we create a demand, we can never increase our sales appreciably. People will never start asking for Wilson equipment.

"The way to create that demand, Mr. Wilson, is to advertise, publicize, and promote. It means adding special departments to handle that work, but I believe it will be money well spent. This I believe, too: When we get these departments well established, Wilson athletic equipment will be on its way to the top of the industry."

Mr. Wilson listened to my presentation without interrupting me once. Then he pondered what I had said. Finally, he said, "Icely, I'm convinced you're right. I'm convinced you know our problems and have the right answer. Go to it."

The first task confronting me was to obtain the necessary competent personnel to work under me in advertising, promoting, and publicizing the Wilson Sporting Goods Company to everyone interested in buying a piece of sports equipment. I hired an advertising manager and opened this new department in our company.

For the sake of promotion, I signed Gene Sarazen in 1922 at the time of his winning both the U.S. National Open and the National Professional Golfers Association championships. Gene was

almost a youngster at the time, and he was to go on and become the dean of our Advisory Staff of famous athletes.

Even as a youngster, however, Gene was a fine businessman. I had to convince him that he had a lot to gain by joining our staff.

"Gene, you're a young fellow who has hit the top of the golfing heap in a hurry," I said. "I believe you'll be on top for a long time to come. That's why I want you on the Wilson staff.

"I know you can almost write your own ticket with any of the golf club manufacturers. You're in a position to command some very fine offers.

"But, Gene, I want you to think over Wilson's offer very carefully. We are not considering you as merely a temporary member of our advisory staff. We want to build our staff around you as the senior member.

"And when the day comes when you are not active in competitive golf anymore, I'll still want you on our staff.

"I think we can do a fine job of promoting your name on our golf equipment. That will mean money for you and money for Wilson, not just for a few years but for the rest of your life."

That was 28 years ago, and Gene Sarazen is still with Wilson. Both parties are still profiting from the partnership.

We had already started to create that necessary demand.

My next problem was to obtain the proper factory personnel. We needed competent men to produce the high quality products necessary to compete with the already established brands. By obtaining several key men in the factory, we were able to get out production on the high quality basis which we needed.

Slowly, the demand began to shape up. My next problem was to keep pace with this growing demand by increased distribution facilities. Here again, my earlier background furnished me with the answers, and I approached Mr. Wilson again.

"Our program is coming along fine, Mr. Wilson," I commented, "but we are now faced with poor distribution facilities. Sooner or later, we were going to have to open branch offices to keep our distribution up with our demand. I think we've reached that point now."

Mr. Wilson smiled and said, "Well, I suppose we'd better go along with your thinking on this matter. You haven't been wrong yet."

We opened branch offices in New York and San Francisco so that we could furnish the best distribution possible to further our efforts in increasing the demand for our products.

Basically, the above methods were those used to create the demand that I had learned was the Number One necessity in selling our product.

These methods must have been successful. From this humble beginning, Wilson Sporting Goods Company has grown and expanded from the scarcely half a million dollar a year, by-product business of a meat packing company into the largest sporting goods company in the world today.

Wilson's volume of business today sets the pace in the sporting goods industry throughout the world. From these first two branches, which spread out from the Chicago home office, the company has expanded to a total of 31 branch offices. From the first tiny factory, the company has expanded into 15 thriving factories throughout the country.

From the early days of Gene Sarazen, Wilson's golf advisory staff has become a tradition in the game itself, and now numbers 22 of the top men professional golfers in the world, plus the top two feminine players, Patty Berg and Mildred (Babe) Didrikson Zaharias. These players endorse Wilson equipment in the outstanding advertising program of the sporting goods industry and aid in the designing and promoting of clubs to Mr. and Mrs. Average Golfer. Through the years, they have created such a demand for the Wilson products that we have added Advisory Staffs in football, baseball, and tennis, which include the top players and coaches in these sports.

Along the way, Wilson Sporting Goods Co. has built up its advertising and promotion staffs and added a thoroughly active public relations department. Adding a public relations department also was a historic move in the sporting goods industry, which marked just another step in my constant desire to maintain and expand the demand for Wilson equipment.

Today, the name Wilson stands supreme in sporting goods, as our dollar volume best indicates. Good salesmanship along the way? Certainly! But first it became necessary to create the demand.

I've never forgotten the man who gave me the formula for success with Wilson Sporting Goods Co.

"Create a demand for your product, Icely. When my customers start coming in and asking for Wilson products, I'll start stocking your merchandise." Those were his words, which have remained with me.

As a result, we have never slighted our efforts to keep that demand for Wilson equipment always uppermost in the minds of America's buying public.





CHARLES P. McCORMICK

is President and Chairman of the Board of McCormick & Company, Inc., Baltimore, Maryland. He is a graduate of Baltimore City College and attended Johns Hopkins University and has received an honorary LL.D. degree from Presbyterian College.

He is President of McCormick de Mexico, S.A. and Chairman of the Board and Federal Reserve Agent of the Federal Reserve Bank of Richmond, Virginia. From 1949 to 1950 Mr. McCormick was the United States employer delegate to the International Labor Organization and from 1949 to 1951 was a member of the governing body of that organization, as well as Vice-President of its International Organization of Employers.

Mr. McCormick is a member of the Board of Regents, University of Maryland, the Baltimore Association of Commerce, and the Boys' Clubs of America, Inc. In addition to membership in a great many other organizations, he is a life member of the Royal Society of Arts in London, England, the Maryland Historical Society, and the Academy of Political Science.

Mr. McCormick is the author of "Multiple Management," "Power of People" and "Sparks" and articles on management and industrial and human relations problems. He is the recipient of the Citation and Medal for Human Relations, 1946 of the Society for the Advancement of Management and the Citation of Honor, 1950, of the South Atlantic Association of the Amateur Athletic Union of the United States.

59. The Case of the Windy City

EXPERIENCE has proven that the old adage that a successful salesman must be born to the profession is not true. Perhaps the most important factor in such an assumption is the fact that in our program, service has supplanted selling. In our company, we have discovered that men from the ranks of the inexperienced, after a brief but intensive training program, can be molded into top-flight salesmen.

The end of the war found our organization with a comparatively small sales force, since for nearly five years the armed forces were our only outlet. A large percentage of our salesmen had left to enter the service, take up jobs in war industries, or had switched from selling to some other career. We were faced with the task of rebuilding our sales force and reconstructing it on an entirely new foundation which had taken shape during the war when we had some time for planning.

The initial pavement-pounding type of saleswork is essentially a young man's job and appeals most naturally to those who have the spirit of adventure and the courage to face new obstacles and problems on a daily basis and to those who have the ability to find faith in the program which is mapped out for them. So we decided to build back with young men, especially those who were being discharged from the service. However, we recognized the fact that older and more experienced heads should supervise a youthful sales organization and formulate the policies and programs under which it operates.

The first real opportunity to prove our theory came to us in what we now speak of as the "Case of the Windy City." Early in 1946, we decided to enter the Chicago market, and we organized a sales team of young men to take our products into a tough territory where our name was practically unknown by the consumer.

Five young men were selected to make the initial invasion, organize the territory, and build a force strong enough and sufficiently competent to secure our share from the market. The oldest and most experienced member of the group had had 12 years of selling experience with the company. The next senior in line of experience, had been with the company just eight months, and the three remaining members of the team were veterans of five months', four months' and two weeks' experience. All these men accepted this opportunity, not only as a challenge to themselves but also as a challenge to the company and its sales philosophy. They recognized that if their efforts were not successful, and they were forced to withdraw, it would be a long time before the company could return to Chicago and renew its effort to establish a market for our products. Moreover, failure could bring the loser's sales career to a swift and unhappy conclusion.

Having been baptised with our indoctrination to selling, plus brief periods on the trade on their own, this group of five young men was launched in the Windy City. Here is how one of the members of that pioneer band described their feelings:

"Scared? Sure we were all scared more than we would individually admit. It was difficult for us to understand how the company expected to open successfully the nation's second largest market with such a few green salesmen. We looked upon it as a real opportunity to ring the bell for recognition, and as we progressed, we realized that the company had placed a lot of faith in our ability to do a real selling job."

All of the "greenhorns" who participated in the Windy City venture had seen extensive combat service during the war. They were mentally and physically adapted to quick training, hardships, on-the-spot thinking, and the courage to face an emergency and make a decision on their own. The competitive spirit among the group was high, and each man was determined to win decorations for his new "outfit." For example, one of the group had previously spent five months in an old metropolitan territory, and during that period doubled the sales of the veteran employee who had left the company.

Our over-all sales and advertising policies are worked out in the home office under the general sales director and the advertising director. We have the usual sales structure of assistant sales mana-

gers, regional directors, executive salesmen, senior salesmen, and junior salesmen. But here our similarity with the normal sales organization ends, and here is where we have the advantage of an accelerated training program, which enables us to organize a competent group for a special operation. The formal training of a junior salesman, the starting point for all our inexperienced men, is limited pretty much to a two weeks' period in the home office. Here they are shown product films and a film on the McCormick plan of Multiple Management. They have conferences with the sales department officials and undergo an intensive briefing on company products and our sales manual. Later on, each man is returned for an accelerated course in a test territory near the home office. Here he sees the results of proper application of his sales and merchandising tools and learns how to adapt the program to his territory.

During these initial meetings, each man is told that he is, in effect, his own advertising manager in his territory, and it is up to him to make the proper use of his advertising and point-of-sales materials. A careful explanation as to the cost of the chain of distribution, merchandising and advertising is made, and the man is coached as to how much each unit should produce in order to make it pay.

Our sales plan calls for our men to act more as buyers for our customers than as salesmen for our company. Each store is rated and scheduled on a regular call basis according to its rating. The salesmen know how to evaluate their customers' potential. They are coached as to the manner in which to present, sincerely and enthusiastically, the programs compiled by our sales department. They are indoctrinated in the proper method of handling such items as our customers' inventory, shelf space, and promotions, as if they are handling their own property and personal possessions. Our men are especially conscious of our advice to keep the customer's interest in the forefront at all times and to render the best possible personal service. A young salesman who demonstrates this kind of training finds a much more cordial reception from today's buyer than the salesman of the old school who depended largely on personality, a glib tongue, and tall stories.

After a full day of foot-slogging through the widespread Chicago territory, members of this group returned to headquarters at night

and spent many hours exchanging stories and experiences and advising each other on the next day's program. Each tried to relive the other's daily routing, and through this verbal exchange they rapidly acquired the ability to meet the problems on the trade which might otherwise have stumped them or taken a longer period of time to solve. The result was a swift adjustment to the job that had to be done, and what nervousness there was rapidly turned into enthusiasm for more progress. As a morale builder, we sent the wives of the group to Chicago, at company expense, for a week-end on two separate occasions. This experiment also proved to be a prudent investment on our part.

At the end of three months, the original group had hired, organized, and trained the nucleus for the future organization in that territory, for it was our original intention to pull out the five men who carried out the initial assignment. The new group of 12 local men captured the spirit of their predecessors, and the organization continued to roll on at high speed. In the "Case of the Windy City," the first sale was made within one-half hour after the men left their headquarters and hit the street. Often we were called upon to prove that we had no connections with the family operating Chicago's largest newspaper, and that we were not selling reapers, harvesters, or tractors. By the end of the first year we were operating on a profitable basis and at the end of two years, our sales volume had grown from absolutely zero to a volume exceeding that of another metropolitan territory in which we had been firmly established for nearly 50 years. Our volume has increased steadily, and today we have distribution in several thousand of the better type grocery stores in Chicago, with additional distribution in many of the smaller outlets.

It is quite true that a successful salesman must be backed up with a quality product in order to enjoy security, but the product is not the only concern. The man must be equipped with sufficient tools and trained in modern methods of salesmanship. The "Case of the Windy City" has proven to us that any average young man with courage, initiative, and interest plus an understanding of service can make a success in the selling profession. Experience in sales work can give any man valuable training for practically every type of work. It provides something that supplements his formal education and the lessons learned in sports competition, and it can

endow him with a knowledge of human relations, which, after all, is the basis for our entire existence. Salesmanship does not have to take a back seat to any profession. Properly applied, salesmanship can do and has done as much for our way of life as any other type of profession.

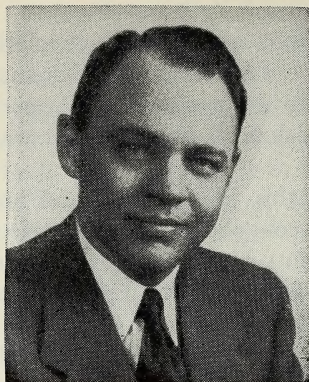
The salesman of this jet-propelled and atomic era must be a man who makes a contribution to the society in which he lives. His qualifications must be developed by training and continuous application. He must learn to be completely unselfish in his dealings with his customers.

Today's salesman must have vision and plan carefully for the establishment of a long and happy relationship with the customer. He must be a teacher as well as a salesman so that he can show his customer how to sell his product to advantage. He must know who buys what, when and where they buy, and how much they buy; and he must never compromise his objective viewpoint because of pressure or fear. He must build confidence and trust in his customers' minds and make them realize that he knows his business and that his primary motive is to be of service.

The return on an experiment such as this can be greater than anticipated. Naturally, we have not disclosed all component parts of the formula because we are applying it elsewhere. But emphasis on the training of the individual can be a profitable investment, and it has paid off for us on numerous occasions.

Out of the pioneer group that invaded the Windy City, we got a man who was elected to our Board of Directors at the tender age of 26. Two years later, he became a vice-president of our company.

Quod Erat Demonstrandum! "Q.E.D."



JAMES E. ROBISON

Executive Vice-President of Textron, Inc., New York, N. Y., is a native of Alfred, North Dakota where he was born in 1915.

After he was graduated from the University of Minnesota in 1938, he attended the Harvard University Graduate School of Business Administration, from which he received his MBA in 1940. In that year, he joined the staff of the Nashua Mfg. Co., as a salesman, covering the midwest territory.

World War II took four years from business. During that time Mr. Robison served as a bomber pilot in the Southwest Pacific. He became a Squadron Commander and won an Air Medal and the Distinguished Flying Cross.

Returning to the Nashua Manufacturing Co. in February 1946, as assistant to the general sales manager, he held that position until November of that same year. When Nashua became a division of Textron, Inc., in that month, Mr. Robison was made divisional general sales manager. In June 1949 he was appointed to his present position with Textron.

60. Buyers Should Not Speculate

MERCHANTS naturally dislike being called speculators. As experienced merchants, they buy what they know they can sell. Sometimes, however, merchants will defer necessary buying. This deferment is a form of speculation. Because they think prices may go down, they refuse to carry the full stock of staple merchandise that they know they can sell. In consequence, they lose business for themselves and for the producers. It is speculation in every sense of the word, just as much as it is speculating to buy excessive inventories over and above requirements in the expectation of a price rise.

Many businesses selling to wholesale or retail merchants are facing this type of speculation. To meet it successfully is a sales problem. Merchants, whether they are wholesalers or retailers, must be convinced by telling sales arguments that as buyers for resale they should not speculate on price fluctuations. In even plainer words, they must be convinced of the folly of hand-to-mouth buying. They must be resold on the primary fact of successful merchandising, namely, "maximum return on minimum investment."

At Textron we have worked out a basic stock reorder system on Indian Head cloth, and along with our goods we have sold it successfully to many of our distributors. It has proved to be one answer to the tendency of merchants to gamble on prices going down.

A case in point was a wholesale house in Philadelphia. Although we considered this firm one of our better accounts, we knew their orders were falling off during a period of general decline in textile prices. This firm, we felt certain, was not buying from us all they could profitably resell. Quite evidently in expectation of price drops, they were holding back on orders and losing business for themselves and for us. The president, let us call him Mr. Jones,

was open minded. He gave us the opportunity we wanted to show him that "too-restricted buying can hurt the buyer as well as the seller."

Here is how we sold him.

First of all, we came to Mr. Jones with the very simple statement of the fact that we were not soothsayers in regard to future prices. We confessed frankly that we didn't know what was going to happen to the price of textiles and, more particularly, what was going to happen to the price of the staple in which he was most interested, Indian Head cloth.

"How about your prices?" was a frequent question Mr. Jones and others of our customers were asking us. "Aren't they due for a drop?"

"We don't know," was our honest answer. "Maybe the price will go up, maybe it will go down, or maybe it will go sideways. That prediction is for the economists, the prophets, or the soothsayers to figure out.

"What we do know is that it is our job, and I believe it is yours, too, to keep goods moving and to serve our customers as best we can each and every day, regardless of what happens to prices.

"Our job as salesmen is to serve our customers in the very best way that we can for their best interests, which, in the long run, are our best interests."

We had dramatic figures to show this wholesale house that they were not realizing their full potentials in sales because they were not ordering what could be demonstrated as their basic needs in our goods.

Mr. Jones agreed, but at the same time he was concerned about selling his retailer customers the same idea.

When we had convinced Mr. Jones, he permitted us to address his whole staff and instruct them on setting up our basic reorder system.

In this sales talk to the staff of the wholesale house, we admitted at the outset that there was nothing startlingly new or revolutionary about our suggestion. We listed two simple objectives of the basic stock reorder system, namely:

1. The distributor would never be out of stock of a single color of our product, Indian Head cotton.
2. The wholesaler should never have more than the number of

pieces on hand and on order in any one color than would be sold in the next 60 days.

Even if a price reduction should come, the retailer's loss sustained in the markdown would be less than the loss in gross margin that he would inevitably meet if he allowed his stocks to go below his minimum basic needs. Here we can be very specific.

A piece of our Indian Head cloth costs the retailer \$15.90 in Philadelphia. This piece is sold at 79 cents a yard or \$23.70. At conservative estimates, the piece could be sold in 60 days. The retailer's own records prove it. In 60 days, therefore, on an investment of \$15.90, the retailer makes a gross margin of \$7.80. If the buyer speculates and decides to forego this piece in the expectancy of a price decline, he loses a known gross margin of \$7.80. The possible gain for the buyer would be that if the price was cut as much as 10 per cent (which is rare on most staple goods) there would be a markdown on cost of \$1.59 for whatever part of inventory is on hand at the moment of markdown.

To help this concern and others of our customers to set up the system we prepared a work sheet. With the customer we arrived at a reorder control figure to serve as a reorder guide for our Indian Head. We obtained this figure by reference to past order records, showing the actual unit sales of pieces over a period of months. We arbitrarily chose 60 days as the period to be used. The work sheet listed the basic stock reorder control figure for each color of our line at the top of each column. This control figure represented the number of pieces that should be on hand, or on order, to meet the normal expected sales of that color in the next 60-day period.

We impressed on the inventory clerks that inventories must be taken regularly. We suggested that in most cases they should be taken once a week, usually on Saturday.

We explained that when these inventories are taken the actual count of the number of pieces of each color in stock should be entered on the line in the work sheet marked for that purpose. There is another line for entering the goods on order with the proper order number. The deficiency in each color between the inventory on hand, plus the goods on order or in transit then becomes the reorder to be placed immediately—that day.

In selling this idea we emphasized that the immediate placing of the reorder is the critical aspect of the program. We had found

before we instituted the basic stock reorder system that frequently a buyer would not place an order with us because we "owed him some goods." Because of the natural time lag in mailing the order, processing the order, packing, shipping, and transit, the customer often would be out of stock and losing sales before a new order was received.

We were able to convince this company and other accounts that under this simple system there need be no misgivings whatsoever about placing reorders each week, because in the normal course of business the goods on hand will be sold out, plus the new goods on order, before the new reorder gets into stock.

Mr. Jones, president of the firm, cooperated with us in getting his employees to follow through on this plan. Obviously, the plan could not, nor was it intended to, take the place of merchandising brains or business judgment. However, it provided a basic plan, which could be and should be periodically reviewed and changed as required.

The proof of the value of this selling and servicing program lies in the actual results. Because of our intensive sales campaign introducing this basic reorder system, our sales on Indian Head solid color cotton during 1949 showed a gain of 30 per cent in yards over 1948 with no change in price during the entire year. During this period, textile prices generally fell off about 25 per cent and production went down about 20 per cent.

In 1948, this particular wholesale house, without the basic reorder plan, had sold \$35,500 of our goods. In 1949, with the plan, they sold \$49,500 worth of our staple line, plus \$9,000 in secondary quality goods. In the first three months of 1950, sales amounted to \$20,000.

To me this experience proves that buyers can be sold on the necessity of "keeping in business" even during a period of declining prices and market uncertainty.

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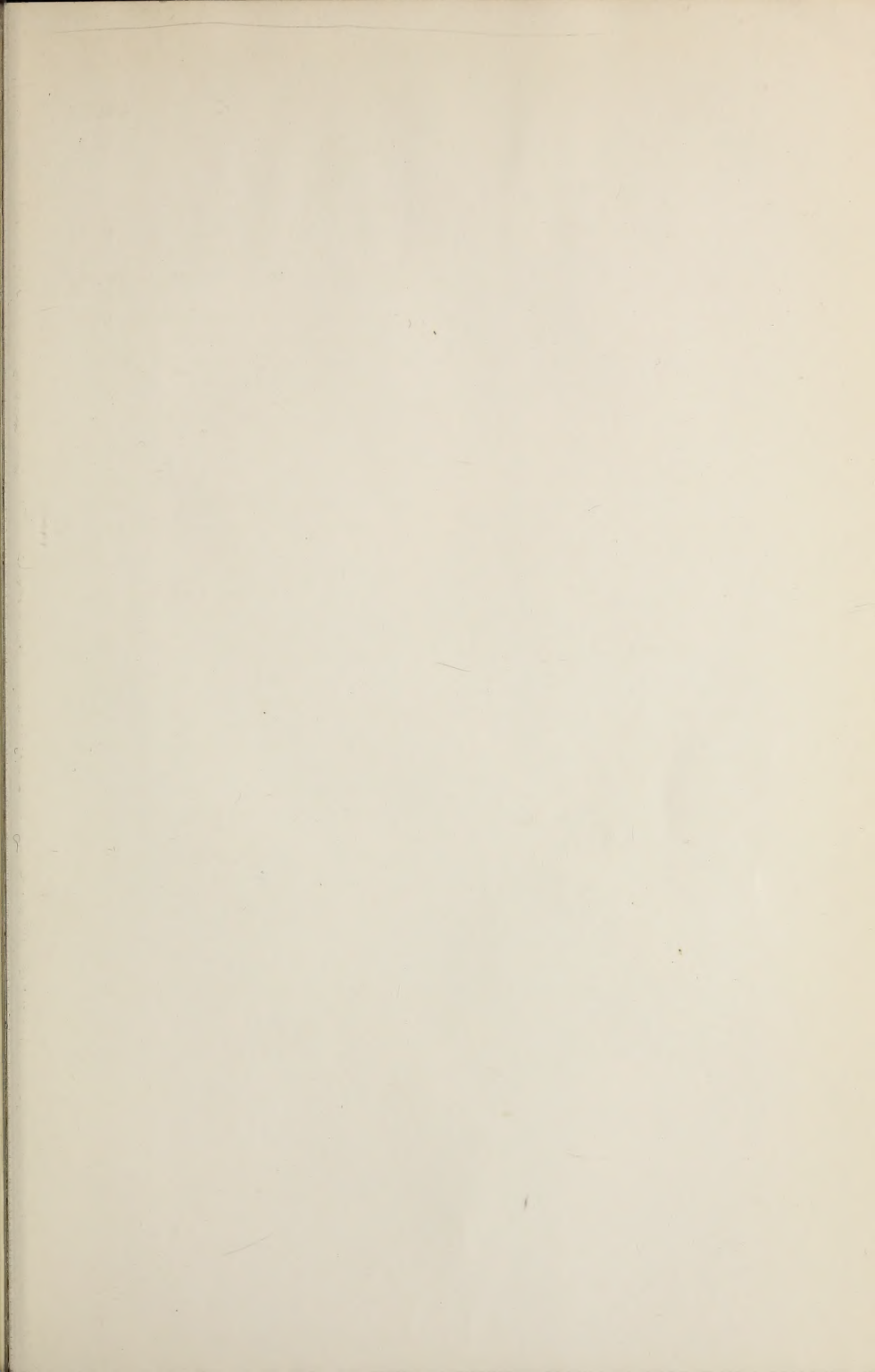
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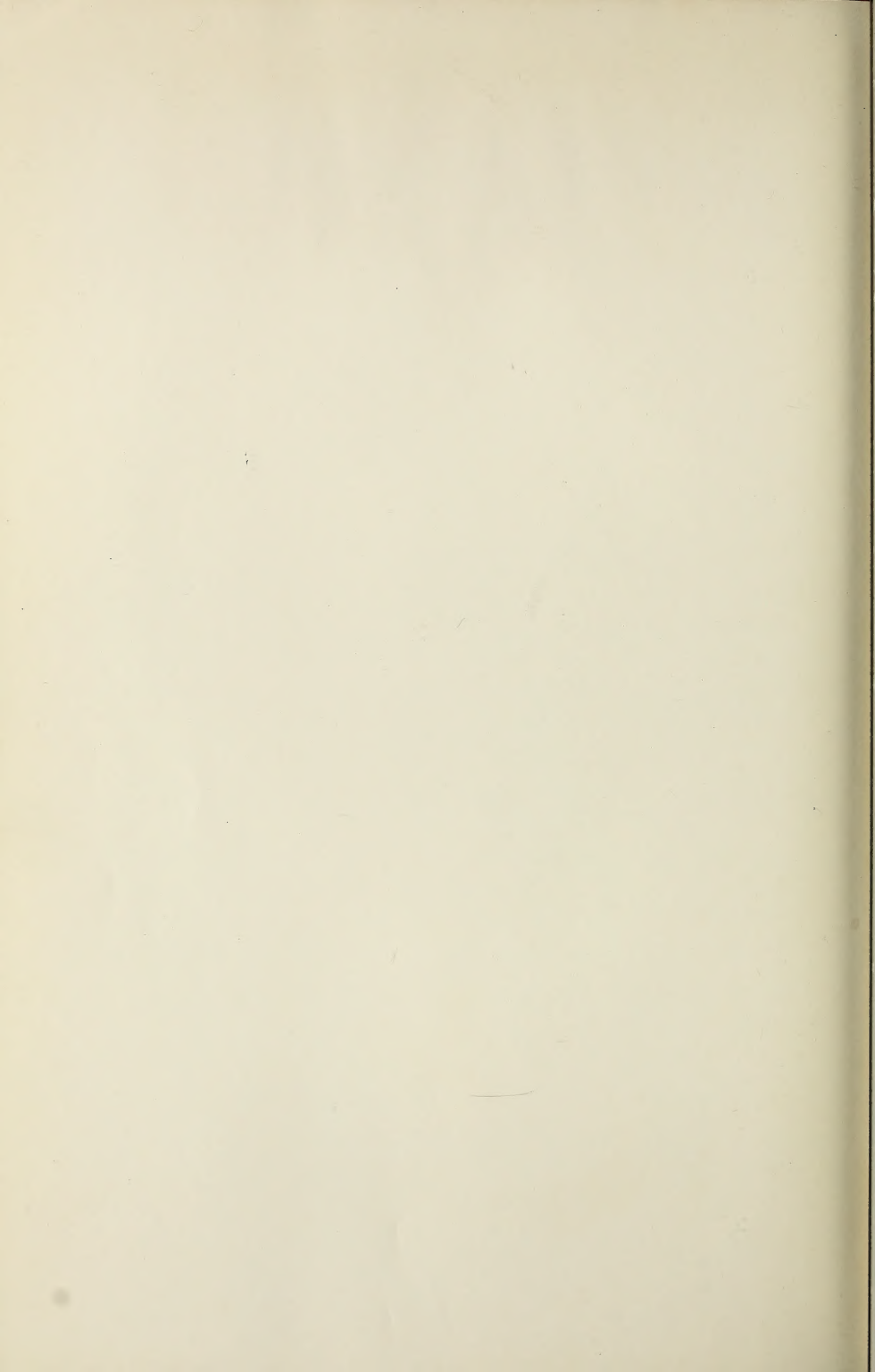
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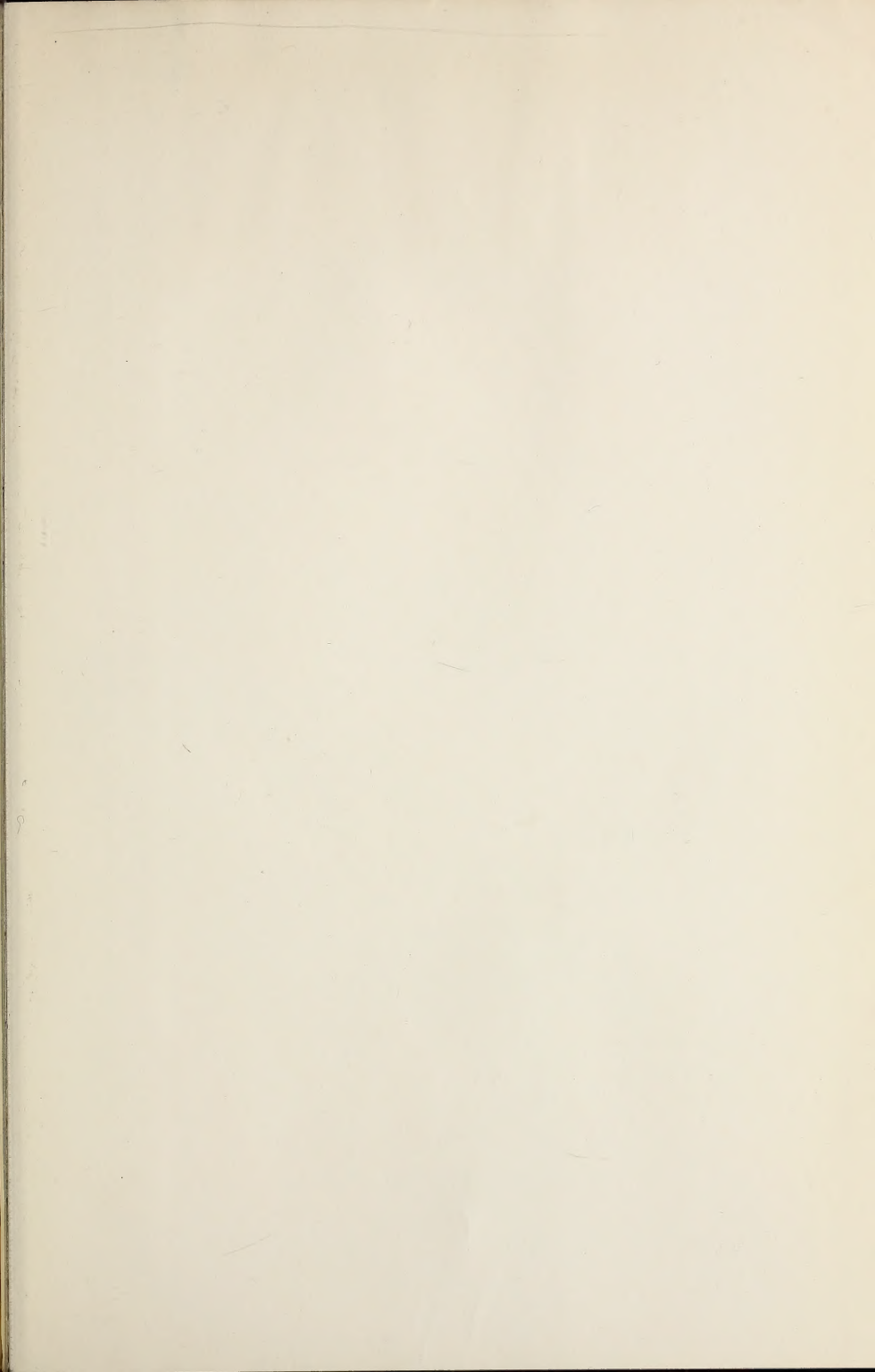
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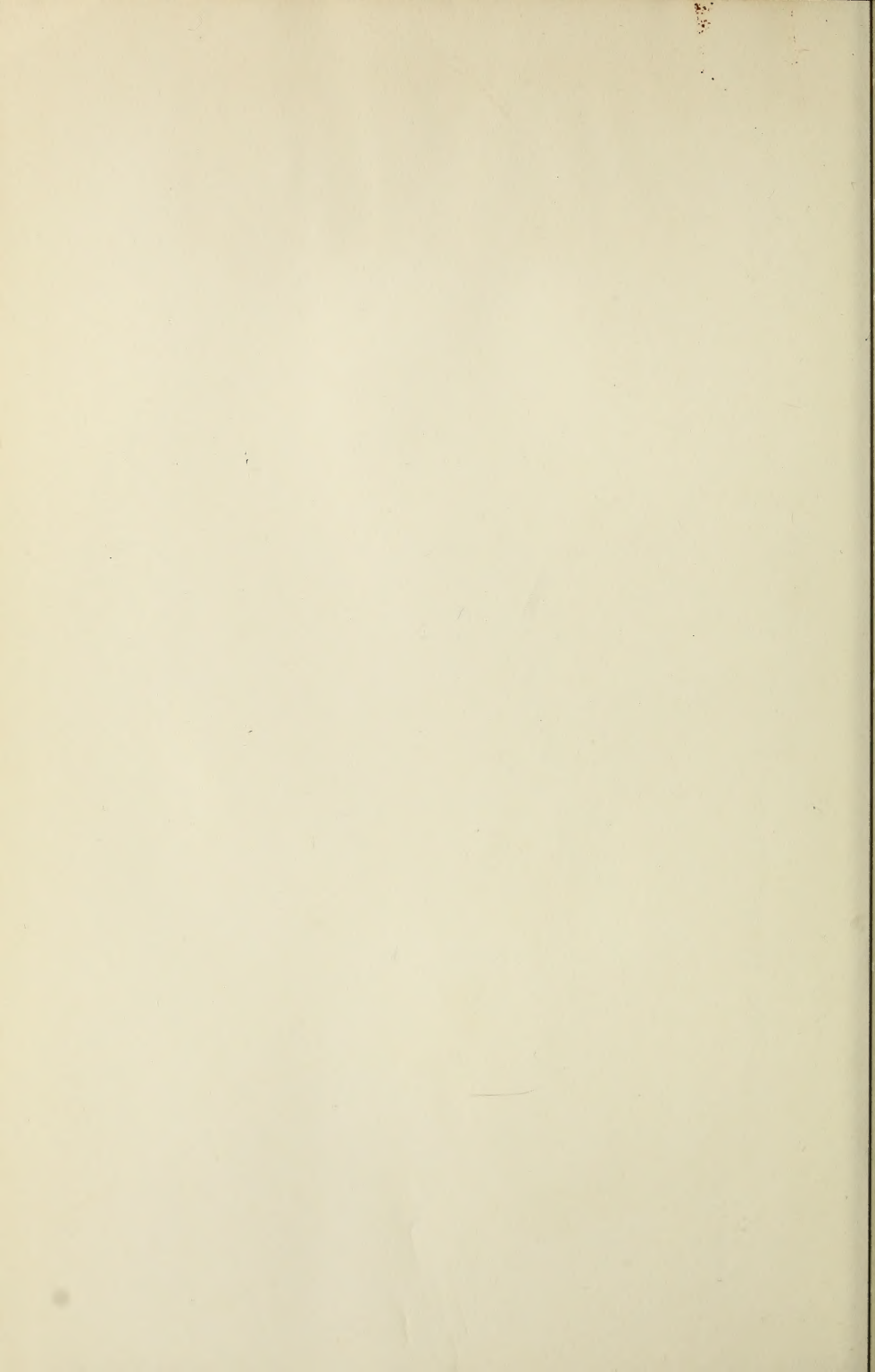
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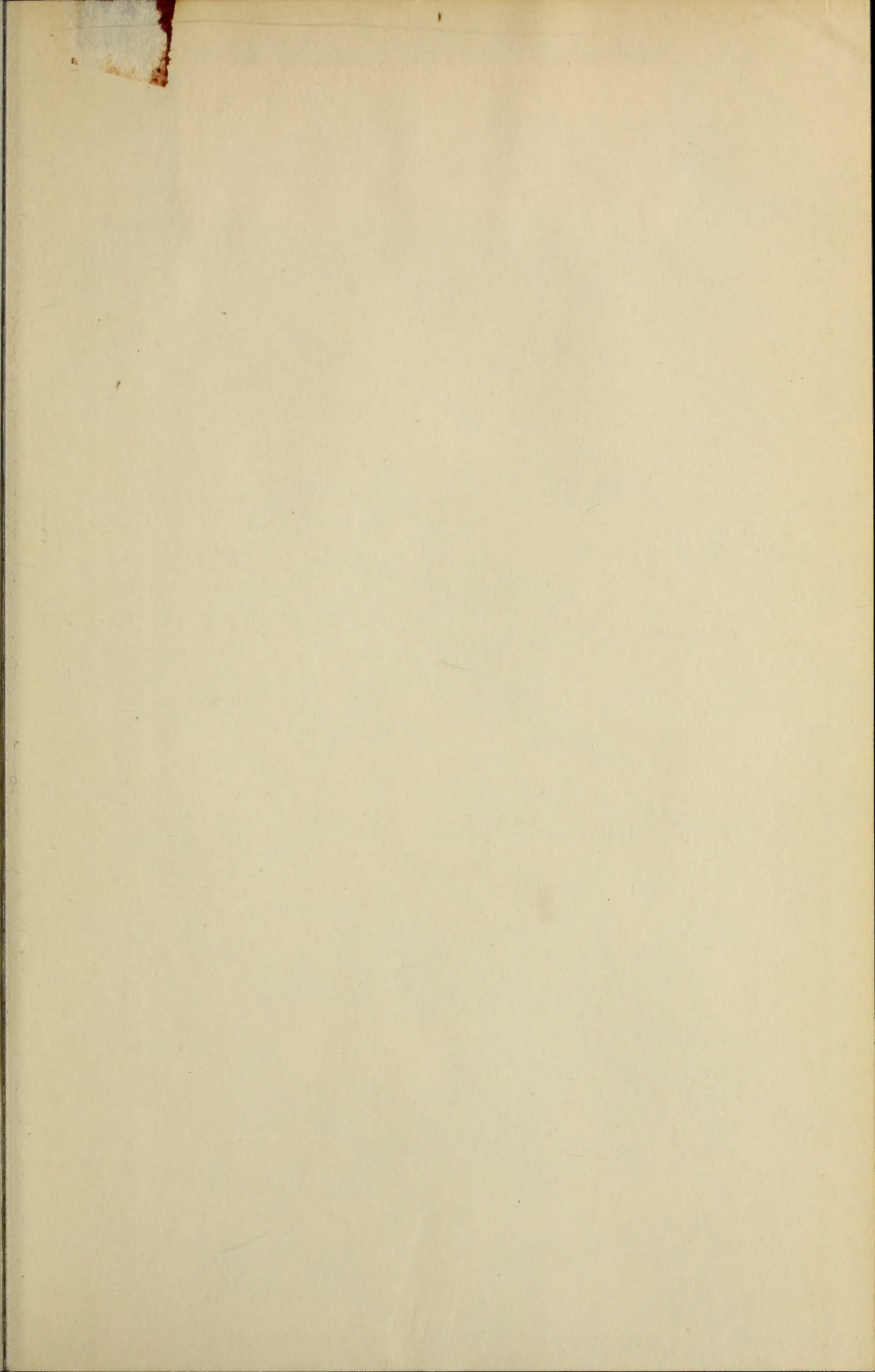
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